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Item 23 (a) of the preliminary list*
**Groups of countries in special situations: follow-up to the Fourth United Nations Conference on the Least Developed Countries**

# Outcome of the Fourth United Nations Conference on the Least Developed Countries

## Report of the Secretary-General

*Summary*

The present report is submitted pursuant to General Assembly resolution 65/171, in which the Secretary-General was requested to submit to the General Assembly at its sixty-sixth session a report on the outcome of the Fourth United Nations Conference on the Least Developed Countries, which was held in Istanbul from 9 to 13 May 2011. The Conference adopted the Programme of Action for the Least Developed Countries for the Decade 2011-2020 and the Istanbul Declaration. This report focuses on the main elements of the outcome documents and maps out the way forward for the implementation of the Istanbul Programme of Action.

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# I. Fourth United Nations Conference on the Least Developed Countries

1. In its resolution 63/227, the General Assembly decided to convene the Fourth United Nations Conference on the Least Developed Countries at a high level, with the mandate to comprehensively assess the implementation of the Brussels Programme of Action;[1] share best practices and lessons learned, and to identify obstacles and constraints encountered as well as actions and initiatives needed to overcome them; identify new challenges and opportunities for least developed countries; reaffirm the global commitment to address the special needs of the least developed countries; mobilize additional international support measures and actions in favour of the least developed countries; and, formulate and adopt a renewed partnership between the least developed countries and their development partners.

## A. Preparatory process

2. The General Assembly mandated the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States as focal point for the preparations of the Conference. The preparatory process was underpinned by a bottom-up approach, starting with country-level preparations feeding into regional- and global-level preparations. The whole United Nations system contributed to the preparatory process coordinated by OHRLLS. A large number of seminars and events were organized, especially a series of 19 pre-conference events, which involved all relevant stakeholders, including Governments, parliamentarians, civil society and private sector representatives. The conclusions and recommendations of those events fed into the draft Istanbul Programme of Action and informed the negotiations of the outcome documents of the Istanbul Conference.[2]

3. The Secretary-General appointed a Group of Eminent Persons in 2010 consisting of nine members, which was co-chaired by Mr. Konaré, former President of the Republic of Mali and Mr. Wolfensohn, former President of the World Bank. The Group's report "Compact for Inclusive Growth and Prosperity" sets out a framework for priority actions for least developed countries' transformation. It concluded that business as usual would not work and that the specific challenges faced by least developed countries needed to be addressed in a new Programme of Action. The report also highlighted that clear, quantifiable targets and the differentiation of responsibilities were crucial for the successful implementation of a new Programme of Action.

4. For the first time three fully fledged tracks for parliamentarians, civil society and the private sector were organized from the beginning of the preparatory process, namely the parliamentary track, the civil society track and the private sector track. Representatives from all three groups participated in the preparatory process at the national, regional and international levels, contributing to the assessment of the Brussels Programme of Action, especially the development of new priorities and

[1] A/CONF.191/13, chap. II.

[2] A more detailed account of the Conference and its preparatory process is contained in documents A/CONF.219/IPC/2, 3, 4, 6, 10 and A/CONF.219/4. Further information is available on the Conference website at www.un.org/wcm/content/site/ldc/home.

commitments. OHRLLS supported the organization of various meetings in collaboration with other United Nations agencies, dedicated steering committees and the Inter-Parliamentary Union and facilitated the participation of representatives from least developed countries in the preparatory process and the Conference itself, as mandated by the General Assembly in its resolution 65/171.

5. The negotiation process for a new programme of action for the least developed countries started at the first session of the Intergovernmental Preparatory Committee, which took place from 10 to 14 January 2011. The second session took place from 4 to 8 April 2011. In between the two sessions and until the beginning of the Conference intensive negotiations took place in informal consultations. It was remarkable that the draft Istanbul Programme of Action was largely agreed before the start of the Conference, despite the difficult prevailing economic situation around the world and the lingering effects of the financial and economic crises, especially in traditional donor countries, some of which had to tighten their budgets significantly. In addition, least developed countries and most other countries were affected by new challenges from increasing volatility of international markets to climate change, for which progress on finding sustainable solutions at a global level was slow. At the same time, the outcome of the 2010 summit on the Millennium Development Goals had a positive effect on the negotiations.

## B. Istanbul summit

6. The Fourth United Nations Conference on the Least Developed Countries had several tracks, with the general debate and the Committee of the Whole as the main intergovernmental forums.[3] In addition, six high-level interactive thematic debates on the main topics relevant for least developed countries' development and 45 special and side events on various topics relevant to least developed countries were held. The Parliamentary Forum, the Civil Society Forum and a private sector track were organized on the basis of the intensive preparations in the three tracks. Several members of the Group of Eminent Persons attended the Conference. The co-chair of the Group, Mr. Wolfensohn, and representatives of civil society, the private sector and parliamentarian tracks made statements in the plenary. The Conference was attended by more than 8,900 accredited participants, including 36 Heads of State or Government, 200 parliamentarians, including 10 Speakers of Parliaments, 96 Ministers and 60 heads of the United Nations and other international organizations. More than 1,500 civil society representatives, including from think tanks, and 500 business leaders also participated in the Conference.

7. In the general debate many speakers noted that the Conference was necessary and timely. They highlighted the importance of a focused approach with new priorities in the new Programme of Action. Commitments should be specific, refining earlier approaches and rebalancing priorities in the light of the experience of the last decade. Real and valuable innovation and improvement could come from better adapting existing international mechanisms and resources to the new agenda emerging in the Istanbul Programme of Action.

[3] See the forthcoming report of the Conference (A/CONF.219/7); a detailed programme of the Conference and additional information are available at the Conference website: www.un.org/wcm/content/site/ldc/home.

8. The six high-level interactive thematic debates brought together high-level participants in multi-stakeholder discussions on themes that were crucial to shaping the least developed countries' development strategy in the next decade. The following topics were elaborated on in the debates: enhancing productive capacities and the role of the private sector; resource mobilization for least developed countries' development and global partnership; harnessing trade for least developed countries' development and transformation; good governance at all levels; reducing vulnerabilities, responding to emerging challenges, and enhancing food security; and human and social development, gender equality and empowerment of women. The debates helped to build consensus to renew and reinvigorate partnerships and mobilize additional international support measures and actions in favour of least developed countries.

9. Forty-five special and side events were organized by Member States, United Nations agencies and other related organizations covering a very wide range of subjects of priority interest to least developed countries. These events served as a platform for development partners of the least developed countries to announce initiatives in their support. The close to 100 deliverables range from targeted financial pledges and measures to promote investments to concrete technical cooperation and capacity-building proposals in the area of education and training, and skills development, as well as institutional capacity-building, technology transfer, strengthening of research capacity, knowledge transfer, and the establishment of research and technology institutes. Further projects were launched to help improve data collection and statistical capacity, to provide public information tools and to ensure the monitoring of progress of the Istanbul Programme of Action.[4]

10. The Parliamentary Forum was held on 8 May 2011, and was the culmination of the activities of the parliamentary track of the Conference. Parliamentarians stressed that the Istanbul Programme of Action must be fully integrated into national development plans to ensure national ownership and therefore its effectiveness. They stressed the need for greater accountability by all partners, both globally and nationally, with least developed countries taking full ownership by leading with examples of good governance and improved South-South cooperation. As good governance is a necessary condition for development, the forum highlighted that parliaments have a crucial role to play in all aspects of the implementation, monitoring and review of the Programme of Action and must be able to exercise their legislative oversight and representative function across the full range of development issues.

11. The Civil Society Forum covered a wide range of developmental challenges facing the least developed countries and provided an opportunity for dialogue between Member States, specialized agencies, funds and programmes, international governmental organizations and civil society representatives from women's movements, youth movements, trade unions, peasant federations, media, and human rights defenders. The Civil Society Global Report, which was presented at the Forum, provides an assessment of the implementation of the Brussels Programme of Action from a grass-roots perspective. The central message delivered from civil society is that the current development paradigm should be revisited; there should

[4] A detailed list of deliverables will be made available on the Conference website, at www.un.org/wcm/content/site/ldc/home.

be a move away from the present market-driven agenda and towards implementing people-centred development policies that require Governments to ensure sustainable livelihoods. Improved governance, particularly a greater emphasis on human rights and gender equality, was among the chief areas of concern. At the conclusion of the Civil Society Forum, civil society organizations issued the Istanbul Declaration, which called on Member States to focus attention on a number of sectors by strengthening investment in agriculture, education, health and information, technology transfer and water and sanitation for all.

12. The private sector track provided an important opportunity for identifying concrete, action-oriented proposals to address least developed country-specific challenges with regard to private sector development. It marked an important milestone for the United Nations, as it was the first time that the private sector was fully integrated into the programme of a major United Nations Conference, allowing the private sector to make a meaningful contribution to the Conference and its outcome. The private sector track had three interlocking components: the High-level Meeting on Investment and Partnerships, the Global Business Partnership Forum, a multi-stakeholder platform for dialogue among business, investors, Government officials and other stakeholders; and the Trade Fair, which showcased commercial opportunities in the least developed countries. The Business Forum spurred recommendations to Governments for new actions, launched new initiatives and publications, and produced new commitments. New commitments and initiatives emerging from the Forum addressed a variety of areas, including broadband and digital development, supporting stock exchanges in the least developed countries, sustainable tourism and guidance for investment in least developed countries.

## II. Main features of the Istanbul Programme of Action

13. The Conference adopted the Programme of Action for the Least Developed Countries for the Decade 2011-2020[5] and the Istanbul Declaration,[6] which present the strong political will of all Member States for renewed and strengthened global partnership for least developed countries and fulfil the mandate of the Conference. The Istanbul Programme of Action charts out the vision and the strategy for the sustainable development of least developed countries for the next decade with a strong focus on productive capacity. The broad range of actors that are expected to contribute to the implementation of the Istanbul Programme of Action includes donor countries, developing countries, parliaments, the private sector, civil society, the United Nations system, and international and regional financial institutions.

14. The Istanbul Programme of Action recognizes that least developed countries represent an enormous human and natural resource potential for world economic growth, welfare and prosperity and that addressing their special development needs will contribute to the cause of peace, prosperity and sustainable development for all. It contains a detailed review of the implementation of the Brussels Programme of Action, which was largely informed by the report of the Secretary-General.[7] Based on the lessons learned, a number of goals and objectives, principles and priority areas for action are set out in the Programme of Action.

[5] A/CONF.219/3 and Rev.1.

[6] A/CONF.219/L.1.

[7] A/66/66-E/2011/78.

## A. Objectives, goals and principles

15. The overarching goal of the Istanbul Programme of Action is to overcome the structural challenges faced by the least developed countries in order to eradicate poverty and achieve internationally agreed development goals, with a special focus on the Millennium Development Goals. It aims specifically to enable half of the least developed countries to meet the criteria for graduation. This is closely related to the objective to achieve sustained, equitable and inclusive economic growth in least developed countries to at least a level of 7 per cent annually. With the implementation of the right policies and support measures that are spelled out in the Programme of Action and the political will to include it in development strategies by all stakeholders, that can be achieved. In this respect, the strong commitment on mainstreaming the Programme of Action into development strategies of least developed countries and development partners is an important achievement.

16. The Istanbul Programme of Action focuses on reducing vulnerabilities of least developed countries and addresses new challenges to development, including the effects of the interlinked food, fuel and economic crises and climate change, with a strong focus on structural transformation through increasing productive capacity. It also aims at generating full and productive employment and decent work for all, particularly youth.

17. A number of principles were agreed upon in the Istanbul Programme of Action that will have far-reaching implications for its implementation. The first principle stresses that the ownership and leadership of and the primary responsibility for their development lies with least developed countries themselves. The principle of a balanced role of the State and market considerations entails a qualitative shift in the development strategy for the next decade emphasizing the active role of the State in the development process.

18. Further principles include an integrated approach in which the development process in least developed countries should be viewed in a comprehensive and holistic manner; genuine partnership and solidarity; result orientation; an integrated approach towards peace and security, development and human rights; an emphasis on equity at all levels; and the effective participation, voice and representation of least developed countries.

## B. Priority areas

19. The eight priority areas of the Istanbul Programme of Action, identified during the preparatory process and summarized below, cover all areas relevant for least developed countries' development in a comprehensive manner. The agreed agenda consists of a significant rebalancing of priorities in favour of investment in the productive sectors of the economy and in building the physical as well as human and social capital. The Programme of Action has a strong focus on productive capacity-building and structural transformation as core elements to achieve more robust, balanced, equitable, and sustainable growth and sustainable development. Least developed countries have committed to undertake 126 actions, the development partners have committed to undertake 102 actions, and 16 actions will be undertaken jointly to implement the priority areas.

20. **Productive capacity**. Enhancing productive capacity, as a development multiplier, is the main focus of the Istanbul Programme of Action and is expected to set the tone in all priority areas. As the productive sector remains underdeveloped in most least developed countries, and many of them are still dependent on the export of unprocessed commodities, their ability to produce efficiently is constrained and they are vulnerable to economic shocks, such as commodity price fluctuations. Thus more focus on labour-intensive production is needed to achieve structural transformation of their economies and sustainable poverty reduction.

21. There is a clear commitment to increase investment in infrastructure and agriculture in line with the national priorities of the least developed countries in order to increase value addition and generate employment. Targets include the significant increase in access to telecommunication services, transport infrastructure and energy supply, including electricity generation through renewable energy sources. Actions in this area are a precondition for the diversification of least developed countries' economies into production of goods with higher value addition and decent employment like agro-processing, manufacturing or tourism. An upgrading of value chains from exporting mainly raw materials would be an integral element of the diversification strategy.

22. Concrete provisions for technology transfer were agreed in the Istanbul Programme of Action. Technology transfer is an important factor for innovation in order to increase productivity and enter new markets, which in turn is a precondition for higher value addition and decent employment. Actions in the Programme of Action include undertaking an analysis with the aim of establishing a technology bank and science, technology and innovation mechanisms, which will reduce transaction costs for access to technology. The provision of concessional start-up financing for least developed countries' firms to invest in new technologies was also agreed.

23. **Agriculture, food security and rural development**. As agriculture plays a crucial role in almost all least developed countries in terms of food security and employment, the Istanbul Programme of Action shows a clear preference for revitalizing and diversifying agricultural production in the least developed countries by promoting a holistic approach to expanding employment and national production, raising rural incomes, and achieving a comprehensive approach to food security. Aiming also at increasing investment in rural infrastructure, actions focus on capacity-building, including for agricultural research, as well as safety nets for food emergencies. Support measures focus on small farmers and women farmers whose access to inputs and markets should be strengthened to enable them to avoid malnutrition and shift to high-value products. Furthermore, the Programme of Action calls for the promotion of responsible international investment in agriculture, the elimination of export subsidies for agricultural products, and improvement of the functioning of rural markets.

24. **Trade**. It was agreed to seriously work towards creating favourable market access conditions for all products originating in least developed countries, including through the timely implementation of duty-free quota-free market access, on a lasting basis, for all least developed countries, with simple, transparent and predictable rules of origin; and the reduction or elimination of arbitrary or unjustified non-tariff barriers and other trade-distorting measures. This should be done with the aim of doubling the share of least developed countries' exports in

global exports by 2020, including by broadening the export base of least developed countries. Support would focus on promoting subregional and regional cooperation, including export promotion, and improving regional connectivity through trade facilitating measures. Donors also agreed to enhance the share for least developed countries of the aid-for-trade resources and increase support for the Enhanced Integrated Framework.

25. **Commodities**. The Istanbul Programme of Action further aims to broaden the economic base of least developed countries in order to reduce commodity dependence, and calls for the establishment of commodity management strategies and strategies to enhance productivity and vertical diversification and to increase value-addition. Development partners committed to assist least developed countries to better mitigate and manage the risks associated with commodity price volatility. The Programme of Action also calls for corporate transparency and accountability of companies, including through the Extractive Industries Transparency Initiative.

26. **Human and social development**. In the area of human and social development the commitments to attaining the Millennium Development Goals by 2015 have been reconfirmed in the Istanbul Programme of Action and further progress beyond 2015 in education, health, shelter, sanitation, gender equality and empowerment, and social protection is called for. The Programme of Action focuses on specific issues linking human and social development to increasing productive capacity. Examples for the strong link between the two areas include technical and vocational training, transfer of technology for the local production of medicines, youth employment through apprenticeship programmes, and a supportive environment for private sector investment in housing as well as water and sanitation. While gender equality and women empowerment is still viewed as a cross-cutting issue and thus reflected in all aspects, there is also a dedicated subsection including the commitment of least developed countries to strengthen the role of relevant national mechanisms and scale up resources, as well as to promote effective representation and participation of women in all spheres of decision-making. The establishment and the expansion of social protection systems, which act as stabilizers for the economy and bolster the resilience of the poor, are also encouraged.

27. **Multiple crises and other emerging challenges**. The continued vulnerability of least developed countries to economic shocks and natural disasters and the effects of climate change require a renewed focus on resilience. Development partners committed to support least developed countries' risk mitigation strategies and strengthen their capacities in this respect. As least developed countries need additional, predictable and adequate technical and financial support for climate change adaptation and mitigation, the Istanbul Programme of Action calls for enhancing climate financing provisions, including the early operationalization of the Green Climate Fund, and assisting least developed countries to enhance capacities in clean energy production, trade and distribution, including renewable energy development. To enable least developed countries to deal with the increased scale and scope of natural disasters, the Programme of Action calls for increased public awareness and coherence and decentralization in disaster risk reduction. Development partners committed to support the least developed countries to strengthen their capacity to reduce their vulnerability to natural disasters, including through regional initiatives and sharing of knowledge and expertise.

28. **Mobilizing financial resources for development and capacity-building**. Least developed countries committed to creating conditions for attracting investments, mobilizing savings, promoting private sector development and undertaking necessary fiscal reforms. Donors reconfirmed their commitments to ensure the fulfilment of all official development assistance (ODA) commitments to least developed countries, which would result in the doubling of ODA to least developed countries by 2015 from the current amount of $38 billion. The Programme of Action also calls for increased aid quality, including greater priority of ODA for the productive sector. In this respect, the commitment to use country systems as the first option for aid programmes in support of activities managed by the public sector and to provide least developed country Governments with timely information in a transparent manner on annual commitments and disbursements are of special importance. Donor countries also agreed to review their ODA commitments in 2015 and consider further enhancing the resources for least developed countries.

29. Furthermore, it was agreed to continue debt relief and explore the use of new and improved debt instruments and innovative mechanisms such as debt swaps. This includes the full and timely financing for the implementation of the Heavily Indebted Poor Countries (HIPC) Initiative and the Multilateral Debt Relief Initiative by the development partners and specific debt relief measures for least developed countries that are not HIPC, as well as temporary debt standstills between debtors and all creditors.

30. It was also agreed to enhance incentives by home countries for investment in least developed countries, including insurance, guarantees and preferential financing programmes, such as export credits, risk management tools, co-financing and venture capital, as well as private enterprise funds. These measures should focus in particular on sectors that are needed to build up a diversified production base and encourage linkages with domestic production activities and employment creation. In addition, efforts to reduce the transaction costs of remittances were agreed as well as the consideration of a system of short-term migration and support for the International Migrants Remittances Observatory for Least Developed Countries.

31. **Good governance at all levels**. The goals and targets in the area of governance include strengthening good governance, the rule of law, human rights, gender equality and empowerment of women, and democratic participation, including by enhancing the role of parliaments. Least developed countries committed to continue reforming institutional, legal and regulatory frameworks and the public sector to increase the efficiency and the transparency of service delivery, including the fight against corruption. Furthermore, they agreed to improve their human and institutional capacity, including statistical capacity, and to integrate conflict prevention and resolution into national development plans. Development partners committed to support these efforts especially by providing least developed countries with timely information on annual ODA commitments and disbursements to enable accurate budgeting and accounting, promoting policy coherence and coordination of international financial, trade and development institutions, and harmonizing and aligning assistance with national priorities of least developed countries affected by conflict.

32. One distinguishing feature of the priority areas for action is that goals and targets, both qualitative and quantitative, are included for each priority area,

totalling 47. They are also largely in line with the least developed country criteria of per capita income, human assets and economic vulnerability. This balanced approach should facilitate the monitoring and evaluation of the implementation of the Istanbul Programme of Action. Actions related to cross-cutting issues, such as transfer of technology and empowerment of women, are included in specific subsections as well as in other priority areas to highlight their crucial importance.

## C. South-South cooperation

33. The Istanbul Programme of Action reflects the new realities that emerged in international economic relations in the section on South-South cooperation. Stronger links between least developed countries and other developing countries in the areas of trade, investment, remittances, financial cooperation and transfer of technology have opened a new window of opportunity for the least developed countries. Developing countries intend to support the effective implementation of the Programme of Action consistent with their capabilities. In this context, the Programme of Action also highlights the critical role subregional and regional cooperation can play in promoting least developed countries' development.

## D. Graduation and smooth transition

34. The Istanbul Programme of Action contains a separate section on graduation and smooth transition, with a view to providing incentives for countries graduating from least developed country status through ensuring a smooth transition. Measures in this respect consist of a phasing out of the benefits least developed countries receive in order to avoid any abrupt reductions that could have a negative impact on their sustainable development. A working group on smooth transition is envisaged to this effect. In addition, special support measures to least developed countries should be extended for some time by development partners, including the extension of travel-related benefits by the United Nations system.

## E. Implementation, follow-up and monitoring

35. The ultimate success of the Conference rests with the full and effective implementation of its outcome by all stakeholders, including the United Nations system. The Programme of Action contains comprehensive follow-up and monitoring measures at national, regional and global levels, which should be mutually complementary and reinforcing.

36. Necessary steps will be taken to ensure mutual accountability of least developed countries and their development partners for delivering the commitments undertaken by both sides, based on the global partnership and the principle of national ownership.

37. National-level arrangements are particularly important, as national ownership and leadership have to start there. The Istanbul Programme of Action calls for the mainstreaming of its provisions into national policies and development framework and regular reviews at the country level with the full involvement of all stakeholders. Likewise, development partners should integrate the Istanbul

Programme of Action into their cooperation frameworks and monitor the delivery of their commitments.

38. At the regional level, biennial reviews should be undertaken by relevant regional commissions and agencies, involving regional and subregional organizations. These would feed into reviews at the global level, which would involve monitoring of the implementation of the Programme of Action by the General Assembly and the Economic and Social Council, including in the annual ministerial review and the Development Cooperation Forum. Finally a comprehensive high-level midterm review is envisaged.

## III. Conclusions and recommendations

39. The Istanbul Conference has made it clear that there is a continued need to focus on least developed countries, which have been identified as the most vulnerable group of countries, most in need of support. Thus they need to be given high priority by the international community, including the United Nations system. In order to achieve the ambitious objectives of the Istanbul Programme of Action, all stakeholders must contribute to implement the agreed priority actions, which should be pursued in a holistic manner, as they are interlinked.

40. The Istanbul Programme of Action requests the Secretary-General to ensure the full mobilization and coordination of all parts of the United Nations system in the follow-up at the country, regional and global levels. The United Nations system will thus play an active role in the implementation process in all priority areas and at all levels. The United Nations system, including the funds and programmes and the Bretton Woods institutions and other multilateral organizations, should also integrate the Programme of Action into their work programmes and strategic plans and contribute to its monitoring, follow-up and review.

41. Using the Istanbul Programme of Action as a guideline for development efforts in least developed countries by all stakeholders will be the litmus test for its usefulness and a precondition for mutual accountability. Thus it must be mainstreamed into national development plans and strategies of least developed countries. Development partners should support agreed objectives and policies of least developed countries and integrate the Programme of Action into national development and cooperation frameworks. They should also work to create coherence among different policy areas, including ODA, trade, foreign direct investment, debt and finance.

42. The international community must implement the commitments that have been made or renewed in Istanbul in the eight priority areas, including meeting and reviewing quantitative ODA targets for least developed countries, improving the quality of aid, improving market access, continuing with the provision of debt relief, providing home country incentives for foreign direct investment, enhancing transfer of technology, providing enhanced concessional start-up financing for innovative enterprises in least developed countries and improving governance at all levels. South-South cooperation and regional initiatives should play an important role in the implementation of the priority actions.

43. Civil society organizations must use their wide reach at the global, regional and national levels and play a major role in drawing attention to gaps, challenges

and opportunities in the implementation of the Istanbul Programme of Action. They should also be involved in focused campaigns on issues relevant to the implementation of the Programme of Action, which should be integrated into their advocacy activities. The United Nations should build on its partnerships with civil society organizations and foundations to advance the implementation of the Programme of Action.

44. Parliaments, which are given a prominent role in the implementation and follow-up of the Istanbul Programme of Action, must play a key role in the mainstreaming of the Programme of Action, for example, by expanding a system of focal points within least developed country parliaments to help them assess their institutional needs and share policy findings, as recommended at .he Parliamentary Forum.

45. The potential of the private sector, ranging from small-scale farmers to multinational corporations, which is key to increasing productive capacity, needs to be harnessed. This includes scaling up of private sector investment, increasing linkages between foreign and domestic firms, and good corporate citizenship, among other issues.

46. For the effective and efficient implementation of the priority actions it is also necessary to take into account recent research findings and best practices. Thus academia, including universities and research institutions, should be invited to generate up-to-date information that can facilitate policy discussions and advice for evidence-based decision-making.

47. Least developed country issues should be regularly included in the agendas of relevant United Nations meetings. In addition, least developed countries and their concerns should figure prominently in United Nations initiatives, such as the Secretary-General's High-level Task Force on the Global Food Security Crisis, the development of principles for responsible agricultural investment, and the High-level Taskforce on International Financial Transactions for Development, which is part of the Leading Group on Innovative Financing for Development.

48. The United Nations system will also support efforts to make the international economic system and architecture inclusive and responsive to the special development needs of least developed countries, ensuring their effective participation, voice and representation at all levels. The Secretary-General will continue to advocate for issues relevant to least developed countries to be included in the agendas of other key international meetings, including the Group of Twenty meetings.

49. Furthermore, the United Nations system, in cooperation with Member States, will contribute to the implementation of concrete decisions in the Istanbul Declaration and the Istanbul Programme of Action in key priority areas; for example, to undertake an analysis with the aim of establishing a technology bank and science, technology and innovation mechanisms.

50. The Istanbul Programme of Action calls for the support of the United Nations system for strengthened and improved follow-up and monitoring at all levels. At the national level the United Nations Resident Coordinators and country teams will be tasked to support the mainstreaming, follow-up and monitoring, building on existing mechanisms. At the regional levels the relevant regional commissions and agencies will undertake the biennial reviews of the implementation of the Programme of

Action in collaboration with other stakeholders. These national and regional level reviews will feed into the global review.

51. OHRLLS was mandated to support the effective follow-up and monitoring of the implementation of the Istanbul Programme of Action and the full mobilization and coordination of all parts of the United Nations system, step up its efforts to assist in the mobilization of international support and resources for the implementation of the Programme of Action and provide support to least developed country group consultations. Furthermore, it will intensify its advocacy and outreach activities in order to raise public awareness about the priorities for the implementation of the Programme of Action, which is a precondition for its effective mainstreaming and stakeholder involvement.

52. OHRLLS will also coordinate the establishment of indicators and baselines for the objectives, goals and targets, which are crucial for meaningful monitoring of the implementation of the Istanbul Programme of Action. Monitoring should also include the crucial issue of mainstreaming the Programme of Action and thus also focus on the implementation of key actions, including the deliverables announced at the Conference.

53. In addition, the Istanbul Programme of Action calls for improved coordination of national-level arrangements and an increasing focus on key stakeholders, especially on the part of parliaments and the private sector. As the scope for United Nations system-wide coordination has been broadened, the inter-agency consultative group should be institutionalized. High priority should be given to the rapid establishment of a working group on smooth transition, as the number of graduating countries is expected to increase in the coming years. To allow OHRLLS to vigorously and effectively pursue implementation efforts involving all stakeholders, including governments, parliaments, civil society, the private sector and the United Nations system, its capacity needs to be strengthened.

54. In conclusion, with a much stronger focus on implementation, monitoring and evaluation of the Istanbul Programme of Action and giving priority to this group of vulnerable countries by the international community over the next decade, it is possible that half of the least developed countries will reach the graduation criteria and to make a real difference in the lives of people living in least developed countries.

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**Human resources management**

# Practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2010 to 30 June 2011

## Report of the Secretary-General

*Summary*

The present report is submitted in response to the request of the General Assembly in paragraph 16 of its resolution 59/287 that Member States be informed on an annual basis about all actions taken in cases of established misconduct and/or criminal behaviour and the disciplinary action and, where appropriate, legal action, taken in accordance with the established procedures and regulations. The report covers the period from 1 July 2010 to 30 June 2011.

The General Assembly is invited to take note of the report.

* A/66/50.

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# I. Introduction

1. The present report is submitted in response to the request of the General Assembly in paragraph 16 of its resolution 59/287 that Member States be informed on an annual basis about all actions taken in cases of established misconduct and/or criminal behaviour and the disciplinary action and, where appropriate, legal action, taken in accordance with the established procedures and regulations. The present report covers the period from 1 July 2010 to 30 June 2011.

2. As requested in paragraph 17 of resolution 59/287, an information circular will be issued so that all staff of the Organization will be informed of the most common examples of misconduct and/or criminal behaviour and their disciplinary consequences, including any legal action, with due regard to the protection of the privacy of the staff members concerned.

3. A broad overview of the administrative machinery in disciplinary matters is provided in section II below so that the information provided in sections III and IV can be understood in context. Section III contains a summary of the cases for which one or more disciplinary measures were imposed by the Secretary-General during the reporting period. Section IV contains comparative data reflecting the number of cases referred for action during the reporting period and the disposition of cases that were completed during the reporting period including cases that did not result in the imposition of a disciplinary measure. Section V provides information on the practice of the Secretary-General in cases of possible criminal behaviour.

# II. Overview of administrative machinery in disciplinary matters in the new system of administration of justice

## A. Legislative framework governing the conduct of staff members[1]

4. Article 101, paragraph 3, of the Charter of the United Nations states that the "paramount consideration in the employment of the staff and in the determination of the conditions of service shall be the necessity of securing the highest standards of efficiency, competence and integrity".

5. Article I of the Staff Regulations and Chapter I of the Staff Rules, both entitled "Duties, obligations and privileges", set out the basic values expected of international civil servants because of their status, as well as particular manifestations of such basic values. Particular reference is made to staff regulation 1.2 and Staff Rule 1.2 for specific instances of expected or prohibited conduct.

## B. Misconduct

6. Article X of the Staff Regulations provides in regulation 10.1 (a) that "the Secretary-General may impose disciplinary measures on staff members who engage in misconduct". Staff Rule 10.1 (a) provides that the "failure by a staff member to

[1] Provisions relating to the status, rights and obligations of staff members, and to disciplinary matters, can be found in the electronic Human Resources Handbook under the headings "Status, basic rights and duties" and "Disciplinary".

comply with his or her obligations under the Charter of the United Nations, the Staff Regulations and Staff Rules or other relevant administrative issuances, or to observe the standards of conduct expected of an international civil servant, may amount to misconduct and may lead to the institution of a disciplinary process and the imposition of disciplinary measures for misconduct". In addition, Staff Rule 10.1 (c) provides that "the decision to launch an investigation into allegations of misconduct, to institute a disciplinary process and to impose a disciplinary measure shall be within the discretionary authority of the Secretary-General or officials with delegated authority". Within these parameters, the Secretary-General has broad discretion in determining what constitutes misconduct and in imposing disciplinary measures. Administrative instruction ST/AI/371/Amend.1, on revised disciplinary measures and procedures,[2] provides further examples of conduct for which disciplinary measures may be imposed. A new administrative instruction on investigations and the disciplinary process is under preparation and is currently the subject of preliminary discussions within management.

## C. Due process

7. Where the head of office or responsible officer believes, following an investigation, that misconduct may have occurred, he or she refers the matter to the Assistant Secretary-General for Human Resources Management for a decision on whether to pursue the matter as a disciplinary case.[3] Depending on the subject matter and complexity of an investigation, it can be undertaken by the head of office or his or her designees, or by the Office of Internal Oversight Services, at its own initiative or at the request of a head of office.

8. If the Assistant Secretary-General for Human Resources Management decides to pursue the matter as a disciplinary case, the staff member is notified in writing of the allegations of misconduct and is informed of his or her opportunity to comment on the allegations and of his or her right to seek the assistance of counsel in his or her defence through the Office of Staff Legal Assistance or from outside counsel at his or her own expense. The staff member is given a reasonable opportunity to respond to the allegations of misconduct. In the light of the comments provided by the staff member, the Assistant Secretary-General for Human Resources Management decides whether to close the case, with or without administrative action, or to recommend the imposition of one or more disciplinary measures. In the latter case, the Under-Secretary-General for Management decides, on behalf of the Secretary-General, whether to impose one or more of the disciplinary measures provided for in Staff Rule 10.2 (a).

9. At any time pending an investigation until the completion of the disciplinary process, the Assistant Secretary-General for Human Resources Management may decide to place a staff member on administrative leave where: there is prima facie evidence that the conduct of the staff member poses a danger to other United Nations personnel or to the Organization; the staff member is unable to continue to

[2] See also ST/SGB/2008/5, on the prohibition of discrimination, harassment, including sexual harassment, and abuse of authority.

[3] The head of administration in a mission will refer the case to the Department of Field Support at Headquarters, which will refer the matter to the Office of Human Resources Management if it concurs with the mission's assessment.

perform his or her functions effectively because of an ongoing investigation and the nature of the functions; there is prima facie evidence that continued service by the staff member would create an unacceptable risk that he or she could interfere with the investigation; or the Department of Safety and Security determines that the continued presence of the staff member on United Nations premises could constitute a security risk to the Organization. Decisions of placement on administrative leave without pay are taken by the Under-Secretary-General for Management.

10. In accordance with Staff Rule 10.3 (c), a staff member against whom a disciplinary measure has been imposed may submit an application before the Dispute Tribunal challenging the imposition of the measure(s) in accordance with chapter XI of the Staff Rules.[4]

## D. Disciplinary measures

11. Staff Rule 10.2 (a) provides that disciplinary measures can take one or more of the following forms (i.e., more than one measure can be imposed in each case):

(a) Written censure;

(b) Loss of one or more steps in grade;

(c) Deferment, for a specified period, of eligibility for salary increment;

(d) Suspension without pay for a specified period;

(e) Fine;

(f) Deferment, for a specified period, of eligibility for consideration for promotion;

(g) Demotion, with deferment, for a specified period, of eligibility for consideration for promotion;

(h) Separation from service, with notice or compensation in lieu of notice, and with or without termination indemnity;

(i) Dismissal.

12. In determining the appropriate measure, each case is decided on its own merits, taking into account the particulars of the case, including aggravating and mitigating circumstances. In accordance with rule 10.3 (b), disciplinary measures imposed are proportionate to the nature and gravity of the misconduct involved.

## E. Other measures

13. Written or oral reprimands, recovery of moneys owed to the Organization and administrative leave with or without pay are not considered disciplinary measures. Reprimands, like warnings or letters of caution, are administrative/managerial measures that are important for upholding standards of proper conduct and promoting accountability. Additionally, where inappropriate behaviour affects performance, the issue is addressed in the context of performance management. This

[4] Judgements of the Dispute Tribunal relating to disciplinary cases can be found on the website of the Office of the Administration of Justice (www.un.org/en/oaj).

may include training, counselling, withholding of salary increments, non-renewal of contract or termination of appointment.

## III. Summary of cases for which the Secretary-General imposed disciplinary measures during the period from 1 July 2010 to 30 June 2011

14. For each case that led to the imposition of one or more disciplinary measures, a summary is provided below indicating the nature of the misconduct and the disciplinary measure(s) imposed by the Secretary-General. The function of or other particulars relating to the staff member are provided only when they played a role as aggravating or mitigating circumstances in determining the measures to be taken. Conduct issues that were dealt with by means other than disciplinary measures are not listed.

15. Not every case brought to the attention of the Secretary-General results in disciplinary or other measures being taken. When a review by the Office of Human Resources Management reveals that there is insufficient evidence to pursue a matter as a disciplinary case or when a staff member provides a satisfactory explanation in response to charges of misconduct, the case is closed and the staff member is considered cleared of the charges. Cases may also be closed when a staff member retires or is otherwise separated from the Organization before disciplinary proceedings are concluded, as the Secretary-General does not have the authority to impose disciplinary measures on former staff members. In such cases, a record is made and placed in the former staff member's official status file so that the matter can be further considered if and when the staff member rejoins the Organization.

### A. Abuse of authority/harassment/discrimination

16. A staff member placed himself in a situation with the clear potential for a conflict of interest in relation to a recruitment process, which affected the process. *Disposition*: censure, plus a fine of one month's net base salary. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

17. A staff member engaged in two incidents of "name-calling" of colleagues. *Disposition*: censure. *Appeal*: none.

18. A staff member, over the course of several months, sexually harassed a female independent contractor under his supervision. *Disposition*: separation from service with compensation in lieu of notice and with termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

### B. Assault (verbal and physical)

19. A staff member physically assaulted another staff member after a verbal altercation by hitting her in the face and shoulders with a closed fist, and subsequently, after he was restrained, attempted to assault her for a second time. *Disposition*: dismissal. *Appeal*: none.

20. A staff member verbally abused another staff member, engaged in aggressive and uncooperative behaviour towards him, and physically assaulted a female non-staff member. *Disposition*: separation from service with compensation in lieu of notice and termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

21. A staff member physically assaulted his wife, who was also a staff member, on two occasions, by slapping her in the face and hitting her in the head with a bottle. *Disposition*: separation from service with compensation in lieu of notice, but without termination indemnity. *Appeal*: none.

22. A staff member admitted to physically assaulting his wife. *Disposition*: dismissal. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

23. After a verbal altercation, while attempting to retrieve car keys, a staff member physically assaulted another staff member by pushing her and causing her to fall to the floor. *Disposition*: demotion in grade, with deferment for one year of eligibility for consideration for promotion, and censure. *Appeal*: none.

24. A staff member, while operating a United Nations vehicle without reasonable care and without authorization and for non-official purposes, struck and instantly killed two pedestrians. *Disposition*: dismissal. *Appeal*: none.

25. During the course of an argument, a staff member failed to follow the instructions of a Security Guard, verbally threatened the Security Guard, and physically assaulted another staff member by spitting in his face. *Disposition*: censure, deferment of one year in eligibility for within-grade increment, and one week suspension without pay. *Appeal*: none.

26. A staff member verbally abused, and made a physically threatening movement with respect to, another staff member. *Disposition*: censure and loss of five steps in grade. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

27. A staff member threatened to physically harm a Security Officer and subsequently physically assaulted him. *Disposition*: censure, loss of step in grade and deferment for one year of eligibility for within-grade increment. *Appeal*: none.

28. A staff member, while inebriated, assaulted a Security Guard. *Disposition*: censure. *Appeal*: none.

## C. Computer-related misconduct

29. Three staff members received and distributed pornographic materials, including child pornography, using their official Lotus Notes e-mail accounts. *Disposition*: dismissal. *Appeal*: none.

30. Two staff members received and distributed a relatively small number of e-mails containing pornography using their official Lotus Notes e-mail accounts. *Disposition*: censure. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

31. Thirty-two staff members received and distributed a relatively small number of e-mails containing pornography using their official Lotus Notes e-mail accounts.

*Disposition*: censure. *Appeal*: one staff member filed a submission with the Dispute Tribunal, where the case remains under consideration.

32. Eight staff members received, distributed and stored a relatively large number of e-mails containing pornography using their official Lotus Notes e-mail accounts. *Disposition*: censure, loss of two steps within-grade, and two years deferral of consideration for promotion. *Appeal*: three staff members filed submissions with the Dispute Tribunal, where the cases remain under consideration.

33. Staff member received, failed to report and stored in eight user created folders at least 246 e-mails containing pornography and other inappropriate images. *Disposition*: separation from service with compensation in lieu of notice and without termination indemnity. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

34. A staff member knowingly and wilfully accessed the electronic mailbox of another staff member, without authorization. *Disposition*: demotion of one grade, with deferment for three years of eligibility for consideration for promotion, and censure. *Appeal*: none.

## D. Financial disclosure

35. A staff member failed to comply with his financial disclosure obligations. The staff member had previously been found to have failed to comply with his financial disclosure obligations relating to an earlier reporting period. *Disposition*: censure, fine of three months' net base salary, and deferment for three years of eligibility for consideration for promotion. *Appeal*: none.

36. Four staff members failed to comply with their financial disclosure obligations. *Disposition*: censure, plus a fine of two months' net base salary. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

37. Seven staff members failed to comply with their financial disclosure obligations. *Disposition*: censure. *Appeal*: four, none; three, deadline to appeal has not expired as of the submission of the present report.

## E. Fraud/misrepresentation

38. A staff member forged a stamp in a copy of his United Nations laissez passer, which the staff member submitted to the Personnel Section of a mission as an official record of his leave date, and provided false information in his annual leave report. *Disposition*: separation from service with compensation in lieu of notice and with termination indemnity. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

39. A staff member submitted to the Organization, in connection with his recruitment, a secondary school report card containing altered grades. *Disposition*: demotion of one grade with deferment for three years of eligibility for consideration for promotion. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

40. A staff member cheated on a written test administered by the Organization and undertaken by him, by submitting the model answers prepared by others for the test.

*Disposition*: demotion of one grade with deferment for a period of three years of eligibility for consideration for promotion. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

41. A staff member made material omissions in his personal history profile in relation to his employment history with the United Nations and accepted duties in a post at the G-4 level, for which he was ineligible. *Disposition*: demotion of one grade. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

42. A staff member made material misrepresentation on several personal history profile forms in relation to his educational qualifications and submitted a falsified diploma. *Disposition*: separation from service with compensation in lieu of notice, but without termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

43. A staff member used a falsified payslip in connection with a loan application and misrepresented his educational qualifications in his personal history profile. *Disposition*: dismissal. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

44. A staff member used her United Nations issued PIN number to make private calls and recorded them as business calls for a period of over a year. *Disposition*: censure, and deferment of one year of eligibility for consideration for promotion. *Appeal*: none.

45. A staff member altered and falsified an official document and left the mission area without prior authorization. *Disposition*: censure. *Appeal*: none.

46. A staff member used United Nations equipment and knowledge gained from his official function as a Security Guard to produce at least two false United Nations identification cards and provided same to a non-United Nations staff member in exchange for monetary compensation. *Disposition*: dismissal. *Appeal*: none.

47. A staff member improperly and without authorization accessed another staff member's computer and Internet banking account and performed a wire transfer from the staff member's bank account to a third party in the sum of $5,000. *Disposition*: dismissal. *Appeal*: none.

48. A staff member altered an official document, namely a request for equipment, without authorization so as to increase the quantities of items requested. *Disposition*: demotion of one grade with deferment for two years of eligibility for consideration for promotion and censure. *Appeal*: none.

49. A staff member misrepresented his academic qualifications on his personal history profile. *Disposition*: separation with compensation in lieu of notice and termination indemnity. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

50. A staff member made material misrepresentations in relation to her educational qualifications on her personal history profile, falsely certifying the accuracy of its contents and submitting falsified diplomas. *Disposition*: separation from service with compensation in lieu of notice and termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

51. A staff member made material misrepresentations on her personal history profile in relation to her educational qualifications. *Disposition*: separation from service with compensation in lieu of notice and with termination indemnity. *Appeal*: none.

52. A staff member made material misrepresentations on her personal history profile in relation to whether she had relatives employed by the Organization. *Disposition*: separation with compensation in lieu of notice, but without termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

53. A staff member made material misrepresentations on her personal history profile in relation to whether she had relatives employed by the Organization and refused to cooperate with an investigation. *Disposition*: dismissal. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

## F. Sexual exploitation and sexual abuse

54. A staff member engaged in sexual abuse and exploitation by paying prostitutes for sexual services. *Disposition*: dismissal. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

55. A staff member engaged in sexual activity with a female who was, at the time, under the age of 18, and in several sexual relationships with beneficiaries of United Nations assistance, in violation of ST/SGB/2003/13. The staff member also engaged in the unofficial and unauthorized use of United Nations vehicles. *Disposition*: dismissal. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

## G. Theft/misappropriation

56. A staff member stole rolls of barbed wire belonging to the Organization. The staff member was also identified as part of a group of individuals involved in stealing and reselling United Nations property. *Disposition*: dismissal. *Appeal*: none.

57. A staff member misappropriated at least two gallons of diesel fuel belonging to the Organization; knowingly failed to ensure the safety and security of United Nations property assigned to him and to exercise reasonable care in relation to that property; and deliberately failed to report the incidents of damage to a United Nations vehicle and the misappropriation of United Nations fuel. *Disposition*: separation from service with compensation in lieu of notice and without termination indemnity. *Appeal*: none.

58. A staff member stole property belonging to the United Nations, namely, laboratory equipment. *Disposition*: dismissal. *Appeal*: none.

59. A staff member stole and sold diesel fuel belonging to the Organization. *Disposition*: separation from service with compensation in lieu of notice and with termination indemnity. *Appeal*: none.

60. A staff member took another staff member's bank card, without authorization, and used it to make two withdrawals, also without authorization. *Disposition*: separation from service with compensation in lieu of notice, and without termination indemnity. *Appeal*: none.

61. A staff member siphoned and sold 600 litres of diesel fuel belonging to the Organization. *Disposition*: separation from service with compensation in lieu of notice, and without termination indemnity. *Appeal*: none.

## H. Outside activities

62. A staff member worked as a consultant for a private company for three years while employed with the United Nations, without the authorization of the Secretary-General. *Disposition*: censure and a fine of one month's net base salary. *Appeal*: none.

63. A staff member co-founded a company for the purpose of providing certain services for remuneration. *Disposition*: censure, loss of step in grade, and deferment for one year of eligibility for within-grade increment. *Appeal*: none.

64. A staff member engaged in private legal occupation, while employed by the Organization, without the approval of the Secretary-General. *Disposition*: censure and a loss of step in grade. *Appeal*: none.

## I. Violation of local laws

65. A staff member violated local law by possessing a controlled substance. *Disposition*: separation from service with compensation in lieu of notice and termination indemnity. *Appeal*: filed with the Dispute Tribunal, where the case remains under consideration.

66. A staff member violated local law by illegally possessing an illegal substance. *Disposition*: censure. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

67. A staff member failed to report to the Secretary-General the fact that he had been arrested, charged and summoned before a court in a criminal proceeding. *Disposition*: censure. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

68. A staff member engaged in the trafficking of illegal narcotics in violation of local law. *Disposition*: separation from service without termination indemnity. *Appeal*: deadline to appeal has not expired as of the submission of the present report.

## J. Other

69. A staff member attempted to bypass the official airport security screening process in order to transport, without authorization, commercial goods on behalf of non-United Nations personnel on a United Nations aircraft. *Disposition*: separation from service with compensation in lieu of notice and without termination indemnity. *Appeal*: none.

70. A staff member arranged a contract for a third party to discharge existing claims by the third party against the Organization. *Disposition*: written censure. *Appeal*: none.

71. A staff member failed to honour her private legal obligations with respect to the payment of rental arrears and associated legal costs. *Disposition*: demotion of one grade, with deferment for two years of eligibility for consideration for promotion, and censure. *Appeal*: none.

72. A staff member repeatedly failed to comply with the instructions issued by the Secretary-General regarding settlement of private legal obligations. *Disposition*: demotion of one grade with deferment for three years of eligibility for consideration for promotion. *Appeal*: none.

# IV. Summary of cases received and completed during the reporting period 1 July 2010-30 June 2011

## A. Cases received by the Office of Human Resources Management

73. The tables and figures in this section provide information on the numbers and types of cases that were referred to the Office of Human Resources Management for action during the reporting period from 1 July 2010 to 30 June 2011.

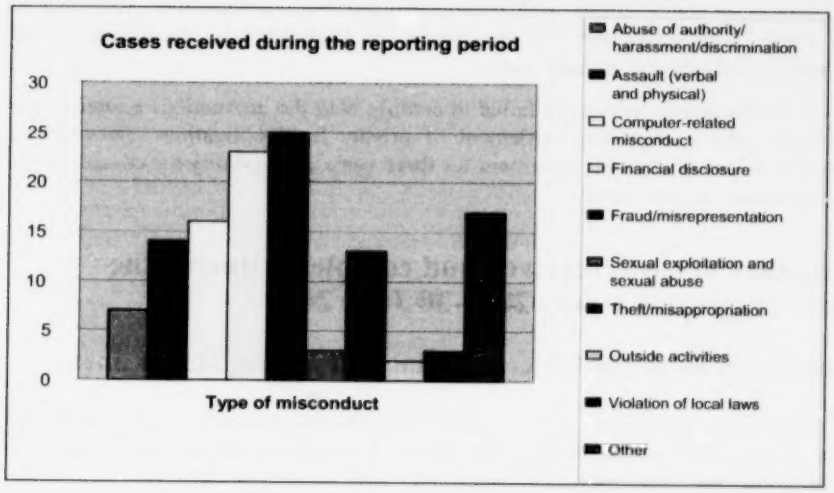
**Cases received by the Office of Human Resources Management during the reporting period**

| | |
|---|---|
| Staff based at United Nations Headquarters and offices away from Headquarters | 60 |
| Field staff | 63 |
| **Total** | **123** |

**Cases received by type of misconduct**

| | |
|---|---|
| Abuse of authority/harassment/discrimination | 7 |
| Assault (verbal and physical) | 14 |
| Computer-related misconduct | 16 |
| Financial disclosure | 23 |
| Fraud/misrepresentation | 25 |
| Sexual exploitation and sexual abuse | 3 |
| Theft/misappropriation | 13 |
| Outside activities | 2 |
| Violation of local laws | 3 |
| Other | 17 |
| **Total** | **123** |

Figure I

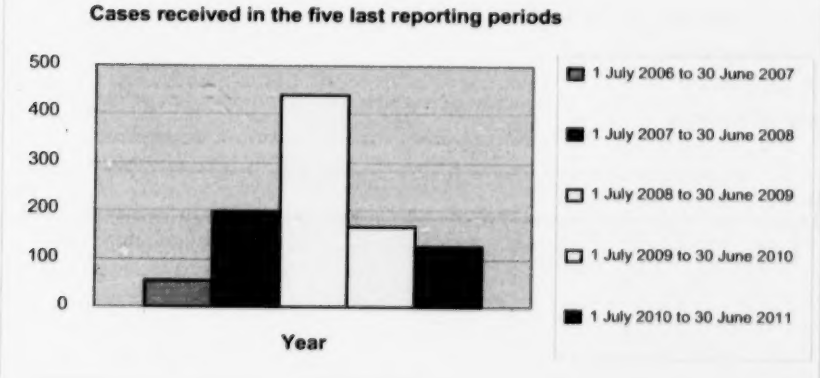



**Number of cases received by the Office of Human Resources Management in the past five reporting periods**

| | |
|---|---|
| 1 July 2010 to 30 June 2011 | 123 |
| 1 July 2009 to 30 June 2010 | 167 |
| 1 July 2008 to 30 June 2009 | 440[a] |
| 1 July 2007 to 30 June 2008 | 198 |
| 1 July 2006 to 30 June 2007 | 56 |

[a] A number of these cases were related to allegations of misuse of information and communications technology resources and failure to meet financial disclosure obligations.

Figure II



## B. Cases completed during the reporting period

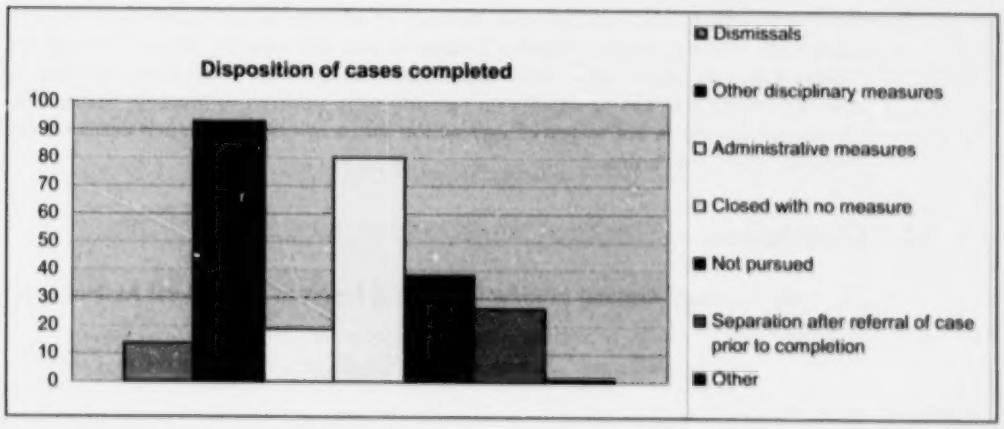
74. The tables and figures in this section provide information on the numbers and disposition of cases completed during the reporting period, including those that did not result in the imposition of a disciplinary measure. It should be noted that, owing to the time required to process disciplinary matters under established procedures, including the need to obtain further information after the investigation, and the requirement to give staff members an opportunity to provide comments on charges of misconduct, the figures reflect cases completed during the reporting period that had been referred to the Office of Human Resources Management both prior to and during the reporting period.

**Disposition of cases completed, 1 July 2010-30 June 2011**

| *Dismissals* | *14* |
|---|---|
| Other disciplinary measures | 93 |
| Administrative measures[a] | 19 |
| Closed with no measure | 80 |
| Not pursued | 38 |
| Separation of the staff member after referral of the case to the Office of Human Resources Management prior to the completion of the disciplinary process (e.g., resignation, retirement, end of contract) | 26 |
| Other | 1 |
| **Total** | **271** |

[a] Administrative measures include written or oral reprimands, warnings and letters of caution, all of which are important for upholding standards of proper conduct and promoting accountability. In addition, where behaviour affects performance, the issue is addressed in the context of performance management, which may include training, counselling, withholding of salary increments and non-renewal or termination of appointment.

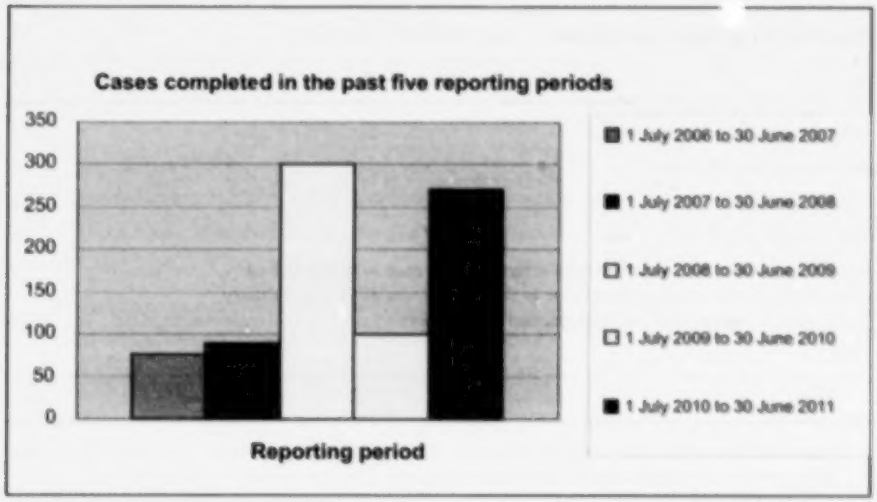
Figure III



**Number of cases completed by the Office of Human Resources Management in the past five reporting periods**

| | |
|---|---|
| 1 July 2010 to 30 June 2011 | 271 |
| 1 July 2009 to 30 June 2010 | 100 |
| 1 July 2008 to 30 June 2009 | 301 |
| 1 July 2007 to 30 June 2008 | 90 |
| 1 July 2006 to 30 June 2007 | 76 |

Figure IV




## V. Possible criminal behaviour

75. In its resolution 59/287, the General Assembly requested the Secretary-General to take action expeditiously in cases of proven misconduct and/or criminal behaviour and to inform Member States about the actions taken. During the reporting period, eight cases involving credible allegations of criminal conduct by United Nations officials or experts on mission were referred to Member States. The Secretary-General is not aware of any action taken in respect of such cases by the Member States concerned.

## VI. Conclusion

76. The Secretary-General submits the present report to the General Assembly for its consideration.

United Nations A/66/136

General Assembly

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**Sixty-sixth session**
Item 28 (b) of the preliminary list*
**Social development, including questions relating to the world social situation and to youth, ageing, disabled persons and the family**

# Cooperatives in social development and implementation of the International Year of Cooperatives

## Report of the Secretary-General

*Summary*

The present report highlights the contribution of cooperatives to socio-economic development, as the pooling of resources and efforts improves individual and household incomes by strengthening the participation of small and medium-sized enterprises in the market. It outlines the contribution of cooperatives to food security, inclusive finance and social protection, and the strengthening of societies through peacebuilding and disaster recovery. It also examines how the cooperative movement can be harnessed for development, in the context of coordination and collaboration with Governments and other stakeholders. It focuses attention on the importance of effective, member-driven internal governance structures and capacity-building, balanced with a supportive and respectful regulatory framework. It also presents activities planned for the observance of the 2012 International Year of Cooperatives, noting the support received from Governments through the establishment of national steering committees across all regions.

* A/66/50.

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# I. Introduction

1. The present report is submitted in response to General Assembly resolution 64/136, in which the Secretary-General was requested to submit a report to the Assembly at its sixty-sixth session on the promotion of cooperatives in social development, including a proposal on activities to be undertaken during the International Year of Cooperatives 2012. It discusses the contribution of cooperatives to socio-economic development and provides information on preparations for the International Year of Cooperatives 2012, including a selection of activities that have been undertaken or planned in preparation for and support of the Year. This information is based on responses from 24 Member States, 25 apex cooperative organizations and 3 United Nations agencies to a survey undertaken by the Department of Economic and Social Affairs of the Secretariat.[1] The report concludes with recommendations to promote and strengthen cooperatives.

# II. Commitments of Member States and the United Nations to cooperatives

2. At the World Summit for Social Development held in Copenhagen in 1995, Governments agreed to utilize and fully develop the potential and contribution of cooperatives for the attainment of social development goals, with an emphasis on the eradication of poverty, the generation of full and productive employment, and the enhancement of social integration. They also recommended the establishment of legal frameworks that would encourage the development of cooperative enterprises.[2]

3. In 2001, Governments further agreed to promote the cooperative sector in recognition of their role and contribution to socio-economic development through the United Nations guidelines aimed at creating a supportive environment for the development of cooperatives[3] and Recommendation No. 193 (2002) of the International Labour Organization (ILO) concerning the promotion of cooperatives.[4]

4. Several United Nations agencies currently promote and support cooperative development and growth. The ILO EMP/COOP unit serves ILO constituents and

[1] Responses to the Member States survey were received from: Bangladesh, Bulgaria, China, Cyprus, Dominica, Ecuador, Germany, Guyana, Japan, Kenya, Lebanon, Malta, Mexico, Mongolia, Mozambique, Niger, Panama, Romania, Singapore, Thailand, Turkey, United Republic of Tanzania, Uruguay, and Zimbabwe. Responses were received from the following organizations: Bangladesh Jatiya Samabaya Union, Capricorn Society Ltd (Australia), Central Union of Agricultural Cooperatives (JA-Zenchu), Coopeuch Ltda, DGRV (DeutscherGenossenschafts- und Raiffeisenverband e. V.) , GdW Bundesverband Deutscher Wohnungs- und Immobilienunternehmen e. V. , Instituto Nacional de Fomento Cooperativo (INFOCOOP) Costa Rica, Islamic Republic of Iran Central Chamber of Cooperatives, KFO, HSB, Riksbyggen, KF, OK, Fonus, Coompanion, Folksam and the Swedish Cooperative Centre (SCC), l'Association coopérative de la République tchèque, Mongolian National Cooperators Association, National Cooperative Business Association, National Cooperative Council, National Cooperative Union of India, New Zealand Cooperatives Association, SOK Corporation (the central organization of Finnish cooperative societies), the Central Union of Consumer Cooperatives of the Republic of Moldova, Union of Cooperatives — Iberia, Georgia.

[2] *Report of the World Summit for Social Development, Copenhagen, 6-12 March 1995* (United Nations publication, Sales No. E.96.IV.8).

[3] See General Assembly resolution 56/114 and A/56/73-E/2001/68, annex.

[4] Available from http://www.ilo.org/ilolex/cgi-lex/convde.pl?R193.

cooperative organizations in four areas: public awareness-raising; ensuring the competitiveness of cooperatives; inclusion of cooperative principles and practices in national education and training systems; and advice on cooperative policy and cooperative law. The Food and Agriculture Organization of the United Nations (FAO) operationalizes its commitments on food security through its Committee for Food Security by engaging in partnerships and collaboration with rural cooperatives and other small-scale producer organizations. The Committee is meant to become the foremost inclusive international and intergovernmental platform dealing with food security and nutrition, with the full participation of representatives of rural cooperatives and producer organizations at all levels. The World Food Programme (WFP) "purchase for progress" (P4P) initiative supports agricultural cooperatives in 21 pilot countries to improve food production.

5. The Committee for the Promotion and Advancement of Cooperatives consisting of the Secretariat of the United Nations, ILO, FAO and the International Cooperative Alliance actively promotes and raises awareness of cooperatives through inter-agency technical cooperation and publication of research into cooperatives.

## III. Cooperatives and socio-economic development

6. Early cooperatives were associated with periods of economic hardship. The Rochdale retail cooperative in the United Kingdom of Great Britain and Northern Ireland was formed in 1844 in response to the economic difficulties of weavers at the time of the industrial revolution. Similarly, the European cooperative banks had their origins in the first banking cooperative (Raiffeisen) organized in Germany to support peasants facing famine and economic dislocation in the mid-1800s. Over the years, cooperatives have spread globally and into various sectors and activities such as agriculture, fishing, housing, banking, insurance, water, electricity, health care and tourism. Today, successful cooperatives continue to generate, improve and protect incomes, as well as generate employment opportunities. Cooperative enterprises, especially in developing countries, contribute to the achievement of many of the internationally agreed development goals, including the Millennium Development Goals.

7. The contribution that cooperatives make to socio-economic development derives from the fact that they are member-owned business enterprises.[5] This distinctive characteristic of cooperatives provides the framework or model of business enterprise that enables the self-empowerment of the poor and other marginalized groups, and promotes community self-reliance, collaboration and cohesion. By enabling individuals in a local community to pool resources in pursuit of an economic enterprise, cooperatives can become catalysts for socio-economic development in their communities. For example, cooperatives can play an important role in the promotion of gender equality and the empowerment of women.

[5] The International Cooperative Alliance defines a cooperative as an "autonomous association of persons united voluntarily to meet their common economic, social and cultural needs and aspirations, through a jointly owned and democratically controlled enterprise".

8. Moreover, adherence to cooperatives values and principles[6] makes cooperatives a positive presence in their local communities because successful cooperatives demonstrate the importance of democratic values, solidarity and respect for human values and the environment.

## A. Size of the cooperative sector

9. Cooperatives are present in all countries and it is estimated that 1 billion individuals are members of cooperatives worldwide.[7] The International Cooperative Alliance, the umbrella organization of cooperatives worldwide, has 249 apex or cooperative network member organizations from 94 countries in all sectors of the economy. Information collected by the Alliance from numerous countries suggests that cooperative activities account for between 3 and 10 per cent of national gross domestic product (GDP).

10. The ICA Global 300 project, which compiles information on the 300 largest cooperatives in the world, indicates that in 2008 they had an aggregate turnover of $1.1 trillion, comparable to roughly one-tenth of the GDP of the United States of America. Most of the 300 largest cooperatives are found in the developed economies of France, Germany, Japan, the Netherlands and the United States. The sectoral distribution of these cooperatives is as follows: 30 per cent are in agriculture and food; 23 per cent in retailing; 22 per cent in insurance; and 19 per cent in banking.

11. Cooperatives have an important presence in the United States. For example, more than 900 rural electric cooperatives deliver electricity to more than 42 million people in 47 States of the United States. This represents 42 per cent of the country's electric distribution lines and covers 75 per cent of its land mass. United States agricultural cooperatives have a market share of about 28 per cent in the processing and marketing of agricultural products, and a 26 per cent share in the supply of inputs. Cooperatives were highly visible recently when the Group Health Cooperative in Puget Sound, which has 570,000 members, figured prominently as a model for consideration in the drafting of the United States health-care reform in 2010.

12. In Europe, agricultural cooperatives have an aggregate market share of about 60 per cent in the processing and marketing of agricultural commodities and an estimated 50 per cent share in the supply of inputs. In France, the cooperative movement has a turnover of 181 billion euros, where cooperatives handle 60 per cent of retail banking, 40 per cent of food and agricultural production, and 25 per cent of retail sales.

[6] Cooperative values include self-help, self-responsibility, democracy, equality, equity and solidarity. The cooperative principles are: voluntary and open membership; democratic member control; member economic participation; autonomy and independence; education, training and information; cooperation among cooperatives; and concern for the community.

[7] Statistical information on the cooperative movement, available from www.ica.coop.

13. In New Zealand, agricultural cooperatives dominate each stage of the agricultural supply chain, capturing a market share of over 75 per cent, while consumer cooperatives in food retailing have a market share of 60 per cent.[8]

14. In developing countries, cooperatives also play a prominent role. In Brazil, cooperatives were responsible for 37.2 per cent of agricultural GDP and 5.4 per cent of overall GDP in 2009. Brazilian agricultural cooperatives, with almost 1 million members, earned about $3.6 billion from exports in 2009. The country's health cooperatives provided medical and dental services to 17.7 million people, just under 10 per cent of the population. The 8,124 cooperatives in Colombia contributed 4.96 per cent of national GDP in 2009. Colombian cooperatives account for 22 per cent of all employment in the health sector; 14.7 per cent of employment in the transport sector; 7.7 per cent of agricultural employment; and 6.5 per cent of employment in the financial sector. Colombian cooperatives provide 91 per cent of all microcredit in the country and employ over 137,000 people, the majority of whom are women.

15. In Mauritius, cooperatives in the agricultural sector play an important role in the production of sugar, vegetables, fruit, flowers, milk, meat and fish. Cooperative societies also account for more than 60 per cent of national production in the food crop sector.[9] In Kenya, the savings and credit cooperatives, the largest in Africa, have assets of $2.7 billion, which account for 31 per cent of gross national savings.[10]

## B. Employment

16. It is estimated that cooperatives employ more than 100 million people worldwide.[11] Of this total, cooperatives in the United States, account for more than 2 million jobs; French and Italian cooperatives employ 1 million and 1.1 million people respectively; Brazilian cooperatives employ 274,000 individuals; Argentinian cooperatives are responsible for 290,000 jobs; and Colombian cooperatives employ 700,000 workers. In Kenya, 250,000 people are employed by cooperatives; in Indonesia, cooperatives provide approximately 300,000 jobs.

17. Cooperatives promote employment in three different ways — direct, indirect and induced (see A/62/154, para. 11). First and foremost, cooperatives generate direct employment for their own members. Second, cooperatives spur indirect employment by conducting business with suppliers of goods and services. Third, induced employment arises as a result of increased spending derived from the wages and incomes of cooperative workers.

18. Three main types of cooperatives contribute to employment in distinctive ways (see table 1 below). Producer cooperatives bring together individuals to attain

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[8] "Cooperatives as a business organization: lessons from cooperative organization history", monograph on the occasion of the farewell to Wim J. J. van Diepenbeck, University of Maastricht, May 2007. Available from http://www.eurocoopbanks.coop/GetDocument.aspx?id=da6def67-6028-4786-b904-097bf8bb1fdb.

[9] Statistical information on the cooperative movement, available from www.ica.coop.

[10] Nelson C. Kuria, "The experience of cooperative insurance in Kenya, in particular, and Africa in general", paper prepared for the expert group meeting on cooperatives in social development, organized by the Division for Social Policy and Development of the Department of Economic and Social Affairs and the Government of Mongolia, Ulaanbaatar, 3-6 May 2011.

[11] ILO Coop Fact Sheet No. 1: "Cooperatives and rural employment", 2007.

economies of scale and levels of competitiveness and efficiency while retaining self-employment and collective autonomy. For example, in 2004, 924,000 farmers in Kenya and an estimated 4 million farmers in Egypt earned their livelihood from membership in agricultural cooperatives. Similarly, about 900,000 people in the agricultural sector of Ethiopia generate part of their income through their cooperatives.[12]

**Socio-economic development through cooperatives**

Table 1
**Types of cooperatives and their respective benefits**

| *Type of cooperative* | *Direct benefits to members* | *Socio-economic effects* | *Development impact* |
|---|---|---|---|
| Consumer cooperative | Access to basic goods and services at near as possible to cost price | Income goes further and savings are made. This encourages expenditure in other areas — nutrition, health care, education | Lower mortality and morbidity in women and children. Higher rates of school attendance (especially for girls) |
| Producer cooperative | Higher price for product, higher profit, stable and guaranteed income | Increased capability, ability to spend on meeting basic needs (education, health, nutrition, life insurance). Ability to plan for the future, expand the business, take risks | Increased productivity, diversification of economy, financial "deepening", boost to rural economy (farming), improved health and safety (urban economy) |
| Employee-owned (worker) cooperative | Decent work, greater return to labour, job protection, employee control | Increased capability, higher and more stable income leading to expenditure on meeting basic needs (education, health, nutrition etc). Increased opportunities for training | Reduction in unemployment, improved skills base, increased output/GDP, export earnings, improved health and safety |

*Source*: Johnston Birchall, discussion paper presented at the expert group meeting on cooperatives in a world in crisis, New York, 28-30 April 2009.

19. Consumer cooperatives, on the other hand, facilitate the more economical sourcing of goods by reducing reliance on middlemen, allowing bulk buying and operating retail outlets. Additionally, consumer cooperatives in housing, building, utilities and finance can provide affordable services that improve community infrastructure and spur further economic activity through local investments.

[12] Frederick O. Wanyama, Patrick Develtere and Ignace Polet, "Encountering the evidence: cooperatives and poverty reduction in Africa", available from http://www.cooperatiefondernemen.be/wp/WP%20SCE%2008-02.pdf.

20. Worker cooperatives, typically composed of skilled artisans, are able to maintain the stability and availability of employment, relying on wage flexibility and access to member savings to sustain enterprises when capital may be limited.

21. Cooperatives also contribute to qualitative aspects of employment by seeking meaningful, dignified work for labourers and by embracing social responsibility and pursuing objectives that pertain to the well-being of the greater community. This is reflected in the adherence of the movement to the "decent work" agenda of the ILO. For instance, cooperatives, or even "pre-cooperatives" can mobilize and protect segments of the labour force that may be particularly vulnerable, such as informal workers. Furthermore, the increasing density of cooperative network links, such as those established through the fair trade movement, or those generated by consultations among a new diversity of national federations, also contributes to global labour solidarity and the spirit of mutual consideration and responsibility. For this, the global work of the ICA is also crucial to forging greater institutional coherence and focus on the part of the cooperative movement as a whole.

## C. Poverty reduction

22. Through the mechanism of collective action that enables members to pool resources and thereby participate more fully in production, profit-sharing, cost-saving, or risk-sharing activities, cooperatives are able to foster economies of scale that lead to better bargaining power of members as buyers and sellers in the marketplace. In the global agricultural sector, this is an important consideration where up to 50 per cent of output is marketed through cooperatives.

23. In India, the extra income generated by women working in dairy cooperatives through better marketing and distribution, are important contributions to household incomes.[13] The Uganda Private Midwives association helps change the daily lives of its members and the wider community by addressing maternal and infant care.[14] The Kilimanjaro Native Cooperative Union has developed some innovative programmes to address the plight of orphans and vulnerable children. It designed a seven-year scholarship programme (2006-2012) that meets the secondary educational expenses of the orphans and vulnerable children of its members. The programme is financed through the premium revenues generated by the Cooperative from the sale of members' coffee through fair trade arrangements.

24. Cooperative principles of self-help and collective action promote empowerment and participation and enable the poor to become active participants in the improvement of their own livelihoods and economic futures. Cooperatives endeavour to cultivate human capital, elevating skill sets and offering a forum through which the poor and disadvantaged can organize in defence of their economic and legal interests. For example, in the informal sector, transportation cooperatives enable individual service providers to operate effectively for their mutual benefit, thereby improving the household incomes of members. Service cooperatives owned and operated by handicapped people and the rural and urban poor, especially women, also help improve household incomes and contribute to

[13] Maheswararao Veeranki, "Women dairy cooperatives in Rajasthan: success story of a women dairy project", Kurukshetra, vol. 51, No. 6 (2003), pp. 19-22.

[14] Uganda Professional Midwives Organization (2011), "Projects", available at http://www.upmouganda.org/projects.html, accessed 22 June 2011.

poverty reduction. In the Philippines, for example, young people are engaged in selling goods through the cooperative Claveria Grassroots Mart Inc. and developing youth leadership through operation of its canteens.[15]

25. Agricultural cooperatives are able to offer incentives to small and subsistence farmers that make their production for the market more sustainable and competitive, and can improve producer coordination, market access, and collective bargaining power vis-à-vis retailers, as well as reduce transaction costs, helping to raise rural productivity, improving food security and helping with rural development. In Viet Nam, for example, 44 per cent of all active cooperatives work in the agriculture sector, while another 2 per cent work in forestry and fisheries.[16] In India, more than 50 per cent of all cooperatives serve as primary agricultural credit societies or provide marketing, warehousing and other services to their producer members.[17] Agricultural cooperatives also promote the participation of women in economic production, which helps in food production and rural development. In India, 100,000 dairy cooperatives collect 16.5 million litres of milk from 12 million farmer members every day, making a significant contribution to the food supply.

26. The adverse impact of globalization on agricultural production and food security in developing countries has led to an increasing interest in fair trade. Under fair trade arrangements, producers are guaranteed a price that covers the cost of production and provides a fair profit margin. Producers in turn are expected to meet the fair trade standards, such as avoiding the use of child labour and employing cultivation techniques that are safe for the environment and public health. In most cases fair trade farmers are required to reserve a portion of their revenues for social projects, ensuring that community development and technical training for farmers will always be possible. Many smallholder farmers who have formed cooperatives are now engaged in this arrangement.

27. In Peru, the organizational and technological capacities of the Central Association of Small Producers of Organic Bananas, a cooperative operating under fair trade arrangements, enable it to promote fair trade in the commercial chain and diversify the productive system in a sustainable manner. In three years the Association's profits have grown rapidly and it has strengthened food security and improved the social, economic, cultural and environmental situation of its members and community.[18] The 126 members of the Toledo Cacao Growers Association rely on cocoa production for their income. For members, fair trade premiums have meant the difference between sending their children to school and keeping them at home to work. For the El Ceibo cooperative in the Plurinational State of Bolivia, fair trade has brought new independence and empowerment to farmers who were previously

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[15] Clarissa S. Trampe, "Youth reinventing co-operatives: young perspectives on the international co-operative movement" (2009), available from: http://www.learningcentre.coop/resource/when-hands-are-held-tight-story-endearing-people-claveria.

[16] Nguyen Minh Tu, "Cooperative development in Viet Nam: success and challenges", paper prepared for the expert group meeting on cooperatives in social development, Ulaanbaatar, 3-6 May 2011.

[17] Daman Prakash, "Agriculture and agricultural cooperatives in India", paper prepared for the Central Union of Agricultural Cooperatives JA-Zenchu, Tokyo (2009).

[18] Michael de Groot, "Case CEPIBO", paper prepared for the expert group meeting on cooperatives in social development, Ulaanbaatar, 3-6 May 2011.

shuffled from one flawed and exploitative agricultural exporting system to another.[19]

## D. Financial cooperatives

28. Financial cooperatives, such as credit unions, savings and credit cooperatives, and cooperative banks, provide members with low-cost and readily accessible financial services. These include, among others, reliable savings facilities tailored to members' needs, credit or microfinance for small-scale start-up enterprises, and more affordable remittance networks. Financial cooperatives also offer financial services to populations underserved by the mainstream commercial sector and play an important role in achieving a more inclusive financial sector.

29. The recent financial crisis has generated renewed interest in alternative financial institutions, as financial cooperatives and credit unions have demonstrated a noteworthy resilience and even growth.[20] For example, some financial cooperatives and credit unions experienced an influx of deposit funds as members sought a safer location for their savings and sustained or increased their rates of lending when many other commercial institutions were retrenching (see A/64/132, para. 34). These outcomes indicate the importance of institutional diversity in the financial sector, demonstrate the advantages of alternative business models such as cooperatives, and point to how cooperatives can contribute to the stability of the broader financial system.

## E. Social protection

30. Cooperatives, through mutual companies, also provide social protection in the form of property/casualty insurance, medical insurance, and life insurance. CIC Insurance Group in Kenya provides affordable insurance to populations left out by mainstream insurance companies. In addition to risk protection services for the poor and the disadvantaged, CIC is the largest provider of microinsurance in Kenya.

31. Among Islamic communities, a recent insurance initiative is *takaful* insurance. It is a participatory form of insurance based on risk sharing by customers and guided by cooperative principles operating under Islamic law. Under *takaful*, every policyholder pays his subscription to help those that need assistance and losses are divided and liabilities spread according to the community pooling system. Total *takaful* premiums, at about $5.3 billion in 2008, have shown double digit growth in recent years.[21]

32. Cooperative health insurance contributes to the preservation and promotion of human health, strengthens health systems and helps to improve health conditions for

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[19] See Global Exchange, "Fair trade cocoa cooperatives", available from http://www.globalexchange.org/campaigns/fairtrade/cocoa/cocoacooperatives.html (accessed 11 July 2011).

[20] European Association of Cooperative Banks (EACB), "Cooperative banks and the crisis: a resilient model", EACB survey, December 2009.

[21] Ajmal Bhatty, "The growing importance of *takaful* insurance", paper prepared for the Asia regional seminar organized by the Organization for Cooperation and Economic Development and Bank Negara Malaysia, Kuala Lumpur, 23-24 September 2010.

people, especially the poor. UNIMED in Brazil is both a health insurance company and a medical cooperative operating in a highly competitive market. UNIMED is committed to improving health services and has implemented two pay-for-performance programmes to improve health service quality and efficiency among its network of 258 providers serving 800,000 people.[22] In Senegal, the health mutual, PAMECAS, provides affordable insurance for savings and health care to disadvantaged and low-income families.[23]

## F. Post-disaster relief

33. Cooperatives help in post-disaster recovery and reconstruction. After the Banda Aceh tsunami in 2006, cooperatives helped in post-disaster recovery. The cooperative movement mobilized and prioritized activities for assistance and reconstruction and cooperatives developed some guiding principles, including partnership with organizations on the ground, to diversify support to different projects and avoid duplication of effort. In the aftermath of the recent tsunami in Japan, Japanese cooperatives are helping in the recovery process, including through provision of medical services, supply of food and drugs and of small credit to victims. In the United States, the Cooperative Development Foundation has launched the Spring Storms of 2011 Cooperative Recovery Fund. It is designed for cooperatives to help other cooperatives that have been adversely impacted by storms, tornadoes, floods and wildfires.

## G. Peacebuilding

34. Cooperatives can play an important role in peacebuilding and creating bridges of communication in areas of conflict or ethnic division. Cooperatives bring together people who have a common economic interest despite their conflicts in other areas.[24] Cooperatives contribute to economic peacemaking through a long history of bridging conflict through dialogue among peoples, and their locally rooted form of economic development helps give people the opportunity to work together on small-scale democracy. In Rwanda, a credit union system was rebuilt by the World Council of Credit Unions without regard to ethnicity and there are currently 149 credit unions with an estimated 400,000 members.

35. Cooperatives, as self-help organizations, enable people to organize and improve their circumstances by pursuing business enterprises. As such, they help improve incomes and generate employment, and by adhering to principles of mutual responsibility they contribute to social integration and cohesion. In particular, cooperatives empower members by fostering participatory and democratic decision-making processes, and by emphasizing capacity-building and human capital investment through member education and training. From the development

[22] Paulo Borem and others, "Pay-for-Performance in Brazil: UNIMED-Belo Horizonte physician cooperation" (24 May 2010). Available at http://www.healthsystems2020.org/content/resource/detail/2564.

[23] International Cooperative and Mutual Insurance Federation, *Prosper*, issue 8, August 2010, p. 3.

[24] George J. Mitchell, "Cooperatives can play a role in peacekeeping". Available from http://www.ncba.coop/sample (accessed 17 July 2011).

perspective, cooperatives contribute to socio-economic development even though their primary objectives are to help their members meet common objectives.

## IV. Strengthening cooperatives

36. For cooperatives to leverage their contribution to socio-economic development, they have to be sustainable and stable enterprises. The expert group meeting on cooperatives in social development, organized by the Division for Social Policy and Development of the Department of Economic and Social Affairs and the Government of Mongolia and held in Ulaanbaatar from 6 to 8 May 2011, highlighted some of the good practices of successful cooperatives; among them are sound governance and capable leadership, management and market knowledge, the provision of training, mainstreaming cooperatives in education, and the importance of information databases and sound research that will support policy recommendations. Equally important in promoting the growth and formation of cooperatives in a sustainable manner is the provision of sound policy and legislative frameworks by Governments.

37. Sound internal governance and capable leadership are pivotal to cooperative success. Particularly crucial is the alignment of managerial skill and sectoral knowledge with member interests. In Singapore, the code of governance for cooperatives, launched by the Singapore National Cooperative Federation in 2006, seeks to address some of the issues of internal governance in the cooperative movement and outlines the good governance practices necessary for credit cooperatives.

38. In Ethiopia, the Oromia Coffee Farmers Cooperative Union provides a good example of how to promote efficiency and growth in the cooperative movement. As a union of primary cooperatives, since 1999 the organization has worked to bring its producing members higher up the value chain, not only by achieving competitive scale, marketing and bargaining power, but by empowering farmers to achieve better quality production and operations through technical education and improving business management capacity. As of 2010, membership in the union had more than quintupled and the sales value had increased exponentially since 2001.[25]

39. In Kenya, the success of CIC Insurance Group is correlated with improved internal governance as well as enhanced business practices. Even after hefty capital injections into the company between 1996 and 1998, the growth of the cooperative was both slow and erratic. However, with a change in management that introduced sound strategic planning, member education and member engagement, the company was able to make a complete turnaround to become the third largest insurer in Kenya.[26]

40. Training is important in creating strong managerial capacity and should aim to instil the core values and principles of cooperatives and improve capacity to enhance their operations. Some respondents to the 2011 Member State questionnaire on cooperatives indicated that initiatives to strengthen cooperative membership and

[25] Tadesse Meskela, "Status of Oromia Coffee Farmers Cooperative Union (OCFU)". Paper prepared for the expert group meeting on cooperatives in social development, Ulaanbaatar, 3-6 May 2011.

[26] Kuria, "The experience of cooperative insurance in Kenya" (see footnote 10 above).

leadership include integrating cooperative knowledge in school curricula, including in cooperative colleges and cooperative programmes in business schools. In some countries, programmes are run as a partnership with the cooperative movement, such as in Costa Rica, where CENECOOP has worked with the Ministry of Education to bring cooperative education into secondary schools through e-learning.[27] In the United States, the Babson-Equal Exchange Curriculum on Cooperatives, in partnership with cooperatives and academia, offers a graduate level system for education on the management and operation of cooperative enterprises. It has also launched the curriculum online for free to spur its use by business schools around the world.[28]

41. To better understand cooperatives and assess their socio-economic development impact, research and the collection of harmonized statistics on cooperatives should be given priority. Such research will help raise awareness of cooperatives and their contribution to society and encourage the promotion and formation of cooperatives. Studies on taxation and other exemptions, accounting standards, and rules limiting access to capital should take into account the distinct nature of cooperatives. Emerging issues relating to cooperatives that need further research include green jobs, information technologies and shared business services. The biggest challenge to implementing research and data collection on cooperatives, however, is lack of funding. Partnerships and collaborative efforts among all stakeholders, including for funding, developing a coordinated approach to research, data collection and building a cooperative database on good practices, could be an essential project of the International Year of Cooperatives.

42. Cooperative networking, or cooperation between cooperatives, is also an important element of strengthening the capacity and effectiveness of cooperative enterprises. In many of the examples cited above, added value was a pivotal factor affecting the improved effectiveness, business success and socio-economic reach of the producer cooperatives involved, a reality also exemplified by Mondragon Corporation in Spain and La Legacoop in Italy. In operating as cooperatives of cooperatives or unions/federations of cooperatives, institutionalized cooperation raised the scale of economic activity to a level that allowed for reduced operational cost and created enough pooled resources to accommodate technological expansion and shared marketing and quality control services, and the formation of new cooperatives. These cooperative networks provide an institutional response to increasing global competition and the need to accelerate the pace of innovation.[29]

43. Through cooperative policies, laws and regulations, Governments play an important role in providing an enabling environment and level playing field to enable cooperatives to compete with mainstream enterprises. To this end, the legal framework must be aligned with changing economic realities and cooperative laws amended to eliminate gaps, if necessary. The modernization and update of

[27] Neticoop, "*CENECOOP lanza proyecto para mejorar la competitividad de las cooperativas nacionales y regionales*" (28 August 2006). Available from http://www.neticoop.org.uy/article2327.html.

[28] Babson College press release, "Babson launches wiki for education on cooperatives", 17 June 2011. Available at http://www3.babson.edu/newsroom/releases/WhitmanCooperativesCurriculum6-11ns.cfm.

[29] Stephen C. Smith, "Blooming together or wilting lone? Network externalities and the Mondragon and La Lega cooperative networks", United Nations University World Institute for Development Economics Research, discussion paper No. 2001/27 (June 2001).

cooperative laws should ensure that legislation is rooted in cooperative values and principles. Government regulation should be balanced with the autonomy that allows cooperatives to formulate their own by-laws.

44. In the 2011 survey of Member States on cooperatives, most States indicated the use of ILO Recommendation No. 193 and the United Nations guidelines for the promotion of cooperatives as a basis for their cooperative policies and legislation. China, Kenya, Malta and Panama indicated ongoing review of their cooperative policies and legislation to improve access to credit and to promote sound business practices and value added. Member States mentioned the following initiatives to empower cooperatives: improvement of managerial and technical capacity, review of existing legislation and access to credit. Most Member States which responded indicated that cooperatives and their socio-economic contributions were considered in the implementation of national development policy.

45. History has shown that when cooperatives are overly influenced by the State, they can become not only unsustainable, but also irrelevant and inefficient. In Africa, for example, although the creation of cooperatives as a political imperative led to a proliferation of cooperatives across the continent, their activities became distanced from the dominant social and economic social patterns of their communities. In addition, the principle of self-reliance became highly undermined and cooperatives were no longer member-driven, but mere agents of political strategy, with the surpluses generated used to fund projects as directed by the State, resulting in demotivation among members.[30]

46. The International Year of Cooperatives offers a unique opportunity for active engagement and dialogue between Governments, cooperatives and other relevant stakeholders worldwide on how an enabling legal and fiscal cooperative policy would promote the sustainability of cooperatives, and strike the necessary balance with independent control.

# V. International Year of Cooperatives 2012

## A. Background and objectives

47. The United Nations General Assembly, in its resolution 64/136, proclaimed 2012 as the International Year of Cooperatives. The Year has three main objectives:

(a) To increase public awareness about cooperatives and their contribution to socio-economic development and the achievement of internationally agreed development goals including the Millennium Development Goals;

(b) To promote the formation and growth of cooperatives for socio-economic empowerment;

(c) To encourage Governments and regulatory bodies to establish policies, laws and regulation conducive to cooperative formation and growth.

48. Although the contribution of cooperatives to socio-economic development is well recognized, knowledge about the distinctive nature of cooperatives remains

[30] Patrick Develtere, Ignace Pollet and Fredrick Wanyama, eds., *Cooperating Out of Poverty: The Renaissance of the African Cooperative Movement* (Geneva, ILO, 2009).

elusive to the general public and many decision makers. Therefore, one of the key objectives of the Year will be to raise awareness of cooperatives in both developed and developing countries, and improve the image of cooperatives as a modern business model. The Year will also give visibility to the contributions of cooperatives in tackling the issues of poverty, employment, loss of income, food security, social inclusion and empowerment, while paying specific attention to the advantage of cooperatives in addressing the gender dimensions of social and economic development.

## B. Implementation

### International implementation

*Central coordination*

49. At the international level, coordination of the implementation of the Year has been undertaken by the Committee for the Promotion and Advancement of Cooperatives, which is comprised of the Department of Economic and Social Affairs, ILO, FAO and the International Cooperative Alliance. This body will be advised by a group of advisers composed of prominent persons drawn from various sectors in the cooperative movement, academia and civil society. Together these bodies are working to prepare the central strategy and key messages guiding the implementation of the Year. The key messages will highlight and support the theme of the Year: "Cooperative enterprises build a better world". In preparation for the Year, the coordinating committee has reached out to cooperatives, civil society, national Governments, relevant United Nations entities and other stakeholders.

50. The Department of Economic and Social Affairs convened an expert group meeting on cooperatives in social development in Ulaanbaatar from 6 to 8 May 2011 to assist with its preparations for the Year. The meeting was hosted by the Ministry of Foreign Affairs and Trade and the Ministry of Food, Agriculture and Light Industry of Mongolia.[31]

*Meetings, conferences and special events*

51. In its resolution 65/184, the General Assembly decided that the International Year of Cooperatives would be launched on 31 October 2011 at a plenary meeting of its sixty-sixth session. The Assembly also decided to convene an informal round table that would precede the plenary meeting.

52. Together, FAO, the International Fund for Agricultural Development (IFAD) and WFP plan to organize a side event on agricultural cooperatives at the launch of the Year, to take place at United Nations Headquarters in New York. To promote the year among its existing constituents, FAO will organize a series of meetings throughout the year, which will link to the regional FAO conferences around the world. These meetings include the twenty-sixth Regional FAO Conference for Africa, the thirty-first Regional FAO Conference for the Near East, the thirty-first

[31] The meeting was also co-sponsored by ILO, FAO, ICA, the Consumer Cooperative Institute of Japan, CIC Insurance Group Kenya, COEXPHAL (the Association of Fruit and Vegetable Producer Organizations) and the University of Almeria, Spain, the Swedish Cooperative Centre, the University of Wisconsin, United States, Inter Press Service and the Mongolia National Cooperators' Association.

Regional FAO Conference for Asia and the Pacific, the thirty-second Regional FAO Conference for Latin America and the Caribbean, the twenty-eighth Regional FAO Conference for Europe and the thirty-seventh session of the Committee on World Food Security. FAO will also dedicate activities specifically to the commemoration of the Year, during World Food Week 2012.

53. ILO will convene a high-level symposium on cooperatives and youth employment in the week preceding the 101st session of the International Labour Conference in 2012. An expert meeting will also be convened in 2012 on the subject, "Ten years after ILO Recommendation No. 193: stocktaking and the way forward". There will be a training session on cooperatives with a focus on policy and legislation at the International Training Centre of the ILO in Turin.

*Communication and outreach*

54. The Department for Economic and Social Affairs has taken the lead in planning and coordinating the communications and outreach activities for the Year. Working together with members of the Committee for the Promotion and Advancement of Cooperatives and the Graphic Design Unit of the Department of Public Information, the Department for Economic and Social Affairs has created a logo that tries to convey the theme of the Year. An information kit and a communication toolkit and advocacy guide are being developed for both electronic and print dissemination. The proposed contents of the information kit include a promotional brochure featuring the logo of the Year, a flyer on key messages and relevant action points, as well as a more in-depth informational brochure, which elaborates on the inception and implementation of the Year, supporting analysis of the key messages and a brief call to action. The communication toolkit/advocacy guide will present the communication strategy for the Year in an accessible manner and provide guidance for interested organizations and Governments on how to implement their own campaigns for the Year in alignment with global efforts.

55. The Department for Economic and Social Affairs is also coordinating the use of social media to raise awareness of the Year and its branding, in order to encourage a level of unification in the global campaign. To date, a "CoopsYear" community page has been established on Facebook with the preliminary messages focused on advocating use of the logo for events and activities related to the Year. A "CoopsYear" Twitter following has also been established. Throughout the Year, these pages will be used to inform followers of events coordinated through the main committee, as well as to raise awareness of national and local level initiatives. Where appropriate, the pages will also be used to garner feedback from followers on featured issues and initiatives.

56. An official website for the Year has been developed and is being maintained by the Division for Social Policy and Development of the Department for Economic and Social Affairs. The website will function as the communications hub for the Year, and will provide information on events during the Year, news on cooperatives, and other related developments at the national, regional and global levels. The site will also host an interactive blog which will feature regular analytical pieces on the cooperative business model and its contributions to sustainable development. The Department also plans to work with cooperative news media to develop a news portal on cooperatives, which will feed into the official website.

57. FAO, IFAD and WFP are collaborating to produce a series of materials, in commemoration of the Year, which aim to promote rural cooperatives. The information kit will feature an informational flyer with key messages on agricultural cooperatives and a good practices guide featuring case studies chosen to reflect thematic, gender and geographical balance, as well as both developed and developing country perspectives. These organizations are planning to issue a joint press release to launch the Year.

58. ILO is developing thematic brochures to be disseminated during the course of the Year. It also plans to produce a short film on cooperatives which will be released at the official launch of the Year on 31 October 2011.

*Research and data collection initiatives*

59. The Department for Economic and Social Affairs plans to disseminate thematic monthly briefing papers throughout the course of the Year. The monthly themes will relate to the key messages of the main campaign. Plans have also been made for the compilation of analytical material on cooperatives in development, to be released as a single publication at the end of the Year.

60. FAO will participate in a study commissioned by ILO and supported by COPAC on the state of cooperatives in the world, which will result in a knowledge base showcasing the size, scope and socio-economic impact of cooperatives across the world.

61. ILO is piloting an initiative which involves the collection of data specific to cooperatives in 14 countries. The organization is also working to develop a proposed methodology for the inclusion of such data in existing United Nations and ILO statistical surveys.

**Regional and national implementation**

62. As outlined by the General Assembly in resolution 64/136, a central aspect of the strategy has been the encouragement of Member States to establish national committees. As of 15 June 2011, 48 Governments had reported the establishment of national committees and/or focal points for the Year, with representation from all regions of the world (see table 2 below).

Table 2
**National committees established for the International Year of Cooperatives**

| *Africa* | *Europe* | *Americas* | *Asia* | *Oceania* |
|---|---|---|---|---|
| Algeria | Belgium | Canada | Bangladesh | Australia |
| Benin | Bulgaria | Costa Rica | Brunei Darussalam | New Zealand |
| Burkina Faso | Croatia | Ecuador | China | Tuvalu |
| Central African Republic | Cyprus | Guyana | Japan | Vanuatu |
| Ethiopia | Finland | Honduras | Jordan | |
| | Germany | Panama | | |

| *Africa* | *Europe* | *Americas* | *Asia* | *Oceania* |
|---|---|---|---|---|
| Ghana | Greece | Peru | Lebanon | |
| Kenya | Malta | St Vincent and the Grenadines | Mongolia | |
| Madagascar | | | Philippines | |
| Mauritius | Montenegro | Trinidad and Tobago | Qatar | |
| Swaziland | Slovakia | | Singapore | |
| United Republic of Tanzania | Spain | | Thailand | |
| Zimbabwe | | | Turkey | |

63. Some Governments have not established national committees but have encouraged national cooperative organizations to take the lead on the Year. The Australian steering committee, comprised of leaders of national apex organizations, is an example of a national committee led by civil society.

*Meetings, conferences and special events*

64. Most of the planned activities for the Year at the regional and national levels will take the form of meetings, conferences and special events. These events are intended to highlight the sharing of good practices, data and research findings as a means of fostering better understanding of how cooperatives operate within the national and regional contexts.

65. In Africa, the Government of the United Republic of Tanzania, in collaboration with the Moshi University College of Cooperative and Business Studies, plans to organize a conference in September 2011 entitled "International cooperative research conference for Africa", intended to raise the visibility of cooperative-focused research in Africa, as well as to promote commemoration of the Year. The Government will also host national workshops on cooperative enterprise during the International Day of Cooperatives and International Credit Union Day 2012, and will hold sessions to sensitize the media and editorial staff to cooperatives and cooperative issues. The Government of Togo is proposing an African head of State summit on cooperatives, to be held in Lome in January 2012.

66. In Asia, Mongolia, the principal sponsor of resolution 64/136, will observe the Year through its overall plan of action, which consists of 30 action plans, among them plans to organize exhibitions on cooperatives, organize a campaign entitled "One province — two brands" to raise awareness of cooperatives, and develop public-private partnerships to promote cooperatives. Singapore will host an academic conference to promote awareness of cooperatives in tertiary educational institutions and among their students. China will host a seminar on specialized cooperatives and a meeting of cooperative leaders from Brazil, China, India, the Russian Federation and South Africa. In India, the National Cooperative Union will organize the sixteenth Indian Cooperative Congress with the participation of cooperatives from all over India and the world, as well as a conference on the inclusion of education on cooperative principles and practices in school curricula.

The Union will also work with FAO country offices, or the FAO Regional Office for Asia and the Pacific, to host an international conference on food security and climate change and the role of cooperatives. In addition, they will host a number of leadership development programmes, as well as training programmes for women and youth on various income-generating activities and self-employment opportunities.

67. In Europe, during the second half of 2012, Cyprus, in cooperation with the European Union, will organize a conference on the promotion of European cooperative societies and other issues on cooperatives of interest to European Union member States. Malta is planning a national conference with possible international participation. In the Republic of Moldova, the apex organization plans two international conferences: "Cooperatives without borders" and "Cooperatives: equitable, sustainable and social development opportunities". The organization will also host seminars and workshops on the formulation and revision of legislation, policies and regulations applicable to cooperatives.

68. In Latin America, Panama has worked with the national apex organization, IPACOOP, to plan a national cooperative congress to discuss and generate recommendations to Government and cooperative structures on issues of interest to all stakeholders. The Government is also providing partial funding and logistical support to three international cooperative meetings: a meeting of the International Cooperative Alliance (for the Americas), a meeting of the Confederation of Caribbean, Central and South American Cooperatives and a meeting of the coordination mechanism for Latin American cooperatives.

69. In Australia the national committee has organized a national chief executive officers cooperative key issues summit, a national Conference and trade show, inaugural social and cooperative business awards, and other local conferences and seminars.

70. Cooperatives, academia and other civil society organizations have organized conferences at the regional and international levels during 2012 as part of the observance and celebration of the Year. The list of global conferences and other events are on the International Year of Cooperatives website: http://social.un.org/coopsyear/.

*Outreach and promotional materials*

71. As at the international level, many responding Governments and apex organizations have campaigns focused on the production and dissemination of outreach and promotional materials. Planned activities in this category include printing informational brochures on the cooperative business model and its contributions to development, as well as the development of posters and T-shirts bearing the slogan of the Year. A number of Member States will also produce radio programmes and television documentaries on cooperatives and promote print media coverage in local and national newspapers and magazines.

72. The Government of Singapore will produce and print a commemorative stamp series and a multimedia DVD and will host a short film on the Year, a photography exhibition and a contest to engage the interest of young people and to promote greater awareness of how cooperative enterprises make a difference in society.

73. The Australian steering committee will produce promotional postcards publicizing the contribution of the Australian cooperative movement to the national

economy, create a website to coordinate a national calendar of events and organize a national public awareness campaign.

*Research and data collection initiatives*

74. Member States and cooperative organizations plan to conduct research and data collection initiatives, which will create databases incorporating past and present data on cooperatives, prepare questionnaires for data collection, and collect data on issues affecting cooperatives.

75. The Government of Turkey is currently compiling a cooperative strategy document and action plan, which will emphasize the importance of cooperatives in Turkey, the expected performance of cooperatives and their contribution to the improvement of people's welfare.

76. Panama intends to conduct research and disseminate the findings of a study of cooperative subsectors, including, but not limited to, the contribution that each subsector is making to the economic, social and cultural development of its members and the local and national community. Research will also be done on the contribution of cooperatives to food security, generation of employment, access to banking services, provision of housing, and poverty eradication. Studies will also be conducted on gender equity within cooperatives and the contribution of cooperatives to environmental protection and the preservation of national renewable resources.

77. The Australian steering committee will support two research projects: "Sustainable cooperative enterprise", which is an investigation into the factors influencing the sustainability and competitiveness of cooperative enterprises and "Advancing the cooperative movement in Australia and Italy", a research project to explore the contribution that cooperatives have made to social and economic life in the two countries.

### C. Action beyond 2012

78. Strengthening cooperatives for the benefit of their members, constituencies and communities worldwide requires long-term and sustained effort. As such, there is growing support from cooperatives, academia and other relevant stakeholders to consider developing a road map or plan of action for the promotion of cooperatives beyond the International Year of Cooperatives. This vision would seek to build upon existing mandates to ensure a focused and effective follow-up to the activities of the Year in 2012.

## VI. Conclusions and recommendations

79. **Cooperatives have a distinctive contribution to make to sustainable development, especially with regard to the social and economic pillars thereof. Their member-driven nature roots them in the fabric of the communities in which they provide their services, leading to the development of enterprises that are aligned with the social, cultural and economic needs and vision of those communities. Promoting greater awareness and understanding of cooperative enterprises, and their direct and indirect benefits, is a positive step in furthering inclusive sustainable development. Therefore, special attention**

**should be given not only to strengthening the internal capacities of cooperatives themselves but also to the necessary balance of a supportive regulatory framework, informed by empirical research and valid and reliable data.**

80. **Recognizing and supporting the efforts devoted to the International Year of Cooperatives, and respecting the cooperative values of autonomy and member empowerment, the General Assembly may wish to consider the following recommendations and invite Governments and international organizations, in partnership with cooperatives and cooperative organizations, to:**

(a) **Sustain efforts to generate public awareness of the distinct advantages and strengths of cooperatives and cooperative values, especially member empowerment, in order to foster the creation of cooperatives in new, emerging or traditionally underserved areas;**

(b) **Focus support on cooperatives as sustainable and successful business enterprises that contribute directly to employment generation, poverty reduction and social protection, across a variety of economic sectors in urban and rural areas;**

(c) **Promote the growth of financial cooperatives in order to attain the goal of inclusive finance by providing access to financial services for all, specifically by adopting policies that expand the span and scope of financial cooperatives and credit unions through appropriate incentives in tax structures and access to services and markets;**

(d) **Promote the growth of agricultural cooperatives in order to attain the goal of food security by cultivating comprehensive growth in the agricultural sector, specifically by improving financing options, sustainable production techniques, investments in rural infrastructure and irrigation, marketing mechanisms and the participation of women;**

(e) **Intensify and expand the availability and accessibility of research on the operations and contribution of cooperatives, and establish methodologies for the collection and dissemination of comparable global data and the good practices of cooperative enterprises, in collaboration with all stakeholders;**

(f) **Review and improve legislation on cooperatives and State regulatory capacity, especially by establishing a level playing field for cooperatives as compared with other enterprises, in order to provide an ever more supportive and enabling environment for cooperative formation and participation in national development efforts.**